CPABC

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SEPTEMBER/OCTOBER 2024



Bringing the pieces together

Meet your new chair, Peter Guo, CPA, CA

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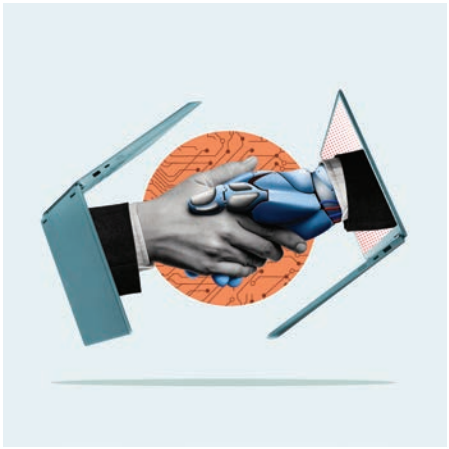
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Mirela Oliveira, CPA, senior consultant, finance transformation, Deloitte



Bobo Zhao Photography

CPABC INFOCUS

September/October 2024, Vol. 12, No. 5

CPABC in Focus is the flagship magazine of BC's chartered professional accountants.

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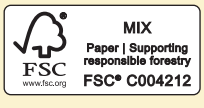
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About

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Engaging with the Profession



Peter Guo, CPA, CA
CPABC Chair

Welcome back from summer! I trust you and your family had time for some adventures, connection, and rest.

Summer for CPABC's 2024/2025 board members included our annual two-day strategic planning session (aka the board retreat), which was held in late June at the Chinese Canadian Museum. During this event, we officially welcomed four new directors to the board: Jayana Darras, CPA, CA; David Diebolt, CPA, CA; Bill Lau, CPA, CA; and Regan McGrath, CPA, CA. Please join me in thanking them for stepping up to serve the profession.

The retreat offered us a great opportunity to share ideas, learn from each other, reflect, and come away with renewed purpose. I certainly appreciated everyone's contributions to our discussions.

This summer also saw us celebrate the results of the May 2024 Common Final Exam (CFE), which were released in early August. Hearty congratulations go to BC's 251 successful writers! All of your hard work paid off, and you're now one big step closer to earning your CPA. And it's an incredible privilege for me to recognize the four BC writers who earned a place on the National CFE Honour Roll—kudos to you on an excellent achievement!*

As I write this, preparations are underway for our Standing Ovation event series. CPABC's Kootenay East, Prince George/Central Interior, and Pacific Northwest chapters will each be hosting an event in October to celebrate CPAs in their area, including newly designated members, those who've attained significant membership milestones in 2024, and our recent CPABC Member Recognition Program honourees.

Continuing on the theme of excellence in the profession, I'd like to encourage all members to nominate a peer for CPABC's 2024 Member Recognition Program. There are many CPAs who are making a difference in the profession, on the job, and in the community—please take the time to nominate them for recognition. The deadline for nominations is Monday, September 16, 2024 (see page 7 for details). ■

** Profiles of the National Honour Roll candidates from both the May and September 2024 CFE writings will appear in the January/February 2025 issue of the magazine.*

Reaffirming CPABC's Purpose



Lori Mathison, FCPA, FCGA, LLB
CPABC President & CEO

Peter mentions our annual board retreat, and I'd like to share some takeaways from the discussions that we had this year.

First, there was a loud and clear consensus that putting the public interest first must always be CPABC's number one priority. With that in mind, we considered the broader landscape in which CPABC operates as a regulatory body as we worked to update and advance our strategic plan. Part of this work involved ensuring that our cross-organizational initiatives—including those respecting Indigenous reconciliation, EDI, ESG, and financial literacy—were strongly aligned to all pillars of our strategic plan.

During the annual retreat, we also reviewed CPABC's vision and mission statements, which were adopted in 2013. We concluded that it is now an opportune time to revisit these foundational statements and create new ones that underscore our mandate as a provincial regulator and better capture our organizational purpose. CPABC's executive leadership team is currently refining the work that came out of the retreat, which will be considered again by the board later this year.

Another important topic discussed during the retreat was the adoption and use of artificial intelligence within the profession. We'll be sharing more insights about AI in our upcoming Leadership Update sessions in November. These virtual sessions provide an opportunity to share updates on the economy and other relevant topics for the profession, and we're looking forward to connecting with you.

Lastly, I'd like to join Peter in congratulating our most recent CFE passers. Preparing for and writing the CFE is a tremendous undertaking, and this milestone is the culmination of your CPA journey thus far. Well done! ■

AMENDMENTS TO CPABC GOVERNING DOCUMENTS

Highlights of Amendments to CPABC Bylaws, Bylaw Regulations, and Code of Professional Conduct Pursuant to the 2024 AGM

CPABC Bylaws

At the AGM on June 20, 2024, the membership confirmed amendments to the following bylaws, which came into effect on August 6, 2024:

Trust account oversight

- **Definitions Bylaw 100** was amended to include definitions for "trust agreements" and "trust funds."
- **Trust Funds Bylaw 1300.1** was added to allow the CPABC Board of Directors to establish standards and requirements applicable to members and registered firms that administer trust funds. It also outlines that members and registered firms must comply with any applicable trust agreements as well as any standards and requirements established by the CPABC Board. (***new***)

Removal of legacy provisions

The following bylaws were amended to remove references to various legacy programs and arrangements that are no longer applicable:

- **Definitions Bylaw 100**
- **CPA Practical Experience Requirements Bylaw 402**
- **Obligation to Report Bylaws 408, 511, 805, and 908**
- **Transition Bylaws 409, 708, 806, 909, 1010, 1112, and 1209**
- **CPA Membership Bylaw 501**
- **Fellows Bylaw 505**
- **Applications for Licensure Bylaw 704**
- **Applications for Professional Accounting Corporation Permits Bylaw 800**
- **Requirements for Registration Bylaw 902**
- **Notice of Decision and Order Bylaw 1207**
- **Notification and Disclosure Bylaw 1306**

MOTIONS CONFIRMED AT 2024 AGM

At the ninth annual general meeting of the Chartered Professional Accountants of British Columbia, held in Vancouver on June 20, 2024, motions regarding the *CPABC Bylaws*, *CPABC Bylaw Regulations*, and *CPABC Code of Professional Conduct*, as approved by the CPABC Board of Directors, were presented to and confirmed by the membership to come into force in accordance with section 28(4) of the *Chartered Professional Accountants Act*.

CPABC Bylaw Regulations

The CPABC Board of Directors also approved amendments to the following bylaw regulations, which came into effect at the same time as the bylaw amendments:

- **Limitations on Registrar's Authority 500/1**
- **Deadlines for Legacy Applicants 501/2**
- **Election of Fellows 505/1**
- **Definitions 600/1**
- **Continuing Professional Development Program: Basic Requirements 600/2**
- **Continuing Professional Development Program: Post-Admission Requirement for Foreign Qualified Members 600/3**
- **Continuing Professional Development Program: Post-Admission Requirement for Legacy CGA Members 600/4**
- **First Renewal Date 708/1, 800/3, and 909/1**
- **Special Public Practice Extension Fees 708/2**
- **Special Registration Extension Fees 909/2**
- **Trust Funds 1300.1/1 (*new*)**
- **Transition 1301/2**

CPABC Code of Professional Conduct

The membership also confirmed amendments to the following rules in the *CPABC Code of Professional Conduct* (CPA Code), which came into effect on August 6, 2024:

Client identification and verification

- **Definitions** – Definitions were added for the following terms: "financial institution," "funds," "organization," "public body," "public company," "specified services," "specified transaction," and "virtual currency."
- **Rule 219.1** was added to outline the obligation of a member or registered firm to obtain and record sufficient information to confirm the identity of a client. (***new***)
- **Rule 219.2** was added to outline the obligation of a member or registered firm to obtain and record information about the source of funds and verify the identity of a client using a method that is permitted under the guidance issued by the Financial Transactions and Reports Analysis Centre of Canada. (***new***)
- **Rule 219.3** was added to clarify the obligations of a member or registered firm in circumstances where another member or registered firm has already complied with the applicable requirements under Rule 219.1 and 219.2. (***new***)

AMENDMENTS TO CPAYT GOVERNING DOCUMENTS

Highlights of Amendments to CPAYT Bylaw Regulations, CPABC Code of Professional Conduct, and CPABC Code of Professional Conduct Guidance

CPAYT Bylaw Regulations

The CPAYT Board of Directors approved amendments to the following bylaw regulations, which came into effect on May 21, 2024:

- **Delegation of Board's Authority over Resolution Agreements with Students 308/7**
- **Continuing Professional Development Program: Anti-Money Laundering Requirement 600/2.1 (effective January 1, 2025)***

Note re: *CPABC Code of Professional Conduct* and guidance

As a reminder, CPAYT members, registered firms, and candidates in the CPA Professional Education Program are also required to stay current on amendments to the *CPABC Code of Professional Conduct* (CPA Code). In addition to the recent amendments listed on the facing page, it is recommended that you review the following amendments to the CPA Code and CPA Code guidance, which came into effect on August 12, 2023, pursuant to CPABC's 2023 AGM:

Independence

- **Rule 204.4** was amended to include gender-neutral language in sub-rule 36.1 (Contingent fees).

Cash transactions

- **Rule 411.1** was added to outline that a member or registered firm shall not receive or accept cash in an aggregate amount greater than $3,000 for a single client matter. (***new***)
- **Rule 411.2** was added to outline that a member or registered firm that receives or accepts cash greater than $3,000 under Rule 411.1 must return the funds in excess of $3,000 as soon as possible and promptly notify CPABC of the receipt and refund. (***new***)
- **Rule 411.3** was added to outline that despite Rule 411.1, a member or registered firm may receive or accept cash greater than $3,000 in respect of a single client matter for professional fees, disbursements, or expenses in connection with the provision of accounting services. (***new***)
- **Rule 102 Guidance 7 and 8**
- **Rule 411 Guidance 1 to 6 (*new*)**

* For more information on these amendments, see "Combatting Money Laundering: Important Regulatory Updates," *CPABC in Focus*, November/December 2023 (30-33).

Governing documents for CPABC and CPAYT are available online at **bccpa.ca/member-practice-regulation** and **bccpa.ca/cpa-yukon/regulatory**, respectively.

PUBLIC PRACTICE FEES

Important Reminder for Public Practitioners: Annual Licence and Firm Renewal & Billing

On July 17, 2024, CPABC sent an email notification to all practitioners indicating that the deadline for the 2024-2025 licence fees and firm renewal fees was September 1, 2024. Any licensee or firm that has not renewed and paid by October 31, 2024, will have an administrative fee of $150 applied to their billing.

To view your licence notice and, if applicable, your firm renewal notice, please visit CPABC's Online Services site at **services.bccpa.ca**.

Questions?

- For information about your renewal and/or payment, email **finance@bccpa.ca**.
- To change your firm's contact information, email **publicpracticelicensing@bccpa.ca**.
- To change your firm's roster, email **memberrecords@bccpa.ca**.

MEMBER RECOGNITION

Final Call: 2024 Nominations

Members: The deadline to nominate a peer for CPABC's Member Recognition Program is September 16. Let us know who you think should be recognized! Full program details are provided at **bccpa.ca/member-services/recognition-program**.



CPD REPORTING

CPD 2024 Reporting Requirements for CPABC Members

For CPABC members, it's that time of year again: time to check that you're on track to meet your continuing professional development (CPD) requirements for this year *and* for the rolling three-calendar-year period ending December 31, 2024. This is a reminder that members must complete their 2024 CPD activities before December 31, 2024, and report their compliance by January 31, 2025.

CPABC would also like to remind members that they have an obligation to stay up to date with knowledge that pertains to their professional responsibilities. To ensure CPD compliance, members should plan their CPD activities carefully. (See the professional competence and CPD compliance section on the right for details.)

What is CPD?

CPD is learning that develops and maintains professional competence to enable members to continue to perform their professional roles. Any new learning and development that is relevant and appropriate to a member's work/professional responsibilities and growth as a CPA may qualify for CPD. ***Note***: Members may only report the actual number of hours that were spent developing new or existing competencies.

Minimum CPD Requirements (in hours)			
	Verifiable CPD	**Additional CPD***	**Total CPD**
Annual	10	10	20
Rolling three-calendar-year period, with four hours of verifiable ethics CPD (including 1.5 hours of AML PD**)	60	60	120

*Additional hours may be fulfilled with verifiable and/or unverifiable CPD.

**AML PD may also be reported as part of your verifiable ethics CPD hours.

Verifiable CPD *refers to learning activities for which there is satisfactory evidence to objectively verify participation.* ***Verifiable Ethics CPD*** *refers to learning activities that specifically address professional ethics matters, and for which there is satisfactory evidence to objectively verify participation.* ***AML PD*** *refers to verifiable qualifying learning activities related to anti-money laundering. Starting in 2024, members must report 1.5 verifiable hours of AML PD by December 31, 2026.[1] AML PD activities must be submitted through the AML PD reporting portal, available in the CPD Reporting section of* ***services.bccpa.ca****. Learning activities reported for the AML PD declaration may also be reported as verifiable ethics CPD on your annual CPD report.* ***Unverifiable CPD*** *refers to learning activities, such as the casual reading of professional journals and magazines, that are relevant to a member's professional role but for which participation cannot be objectively verified.*

Professional competence and CPD compliance

Members are reminded of Rule 203 of the CPABC *Code of Professional Conduct* (CPA Code), which may require a member to complete more than the minimum CPD requirements indicated in the table on the left. Rule 203 (Professional Competence) states: "A member shall sustain professional competence by keeping informed of, and complying with, developments in professional standards in all functions in which the member provides professional services or is relied upon because of the member's calling."

To maintain CPD compliance, members should ensure that their CPD report—and, for audit licensees, their annual competency declaration as well—is factually correct (see facing page). Members are also bound by Rule 103 of the CPA Code (False or Misleading Applications), which states: "A registrant shall not sign or associate with any letter, report, statement or representation relating to any application to CPABC which the registrant knows, or should know, is false or misleading."

CPD verification

Each year, CPABC verifies a sample of CPD reports for the preceding three-calendar-year period. Accordingly, members are required to retain all supporting documentation for their CPD activities for five years after the end of the reporting period. There is no need to submit the supporting records unless requested.

Also each year, CPABC verifies a sample of members' eligibility for CPD exemption. Members who have declared eligibility for a CPD exemption may be asked to provide proof of eligibility, including proof of *Gross Active Revenues*.[2]

The consequences for failing to provide satisfactory proof of reported CPD hours or exemption eligibility when requested may include:

- The denial of reported CPD hours;
- The revocation of a CPD exemption claim;
- The assessment of a CPD administrative fee; and/or
- A referral to CPABC's Investigation Committee.[3]

[1] Members admitted after January 1, 2024, must complete their AML PD within the three-calendar-year period that commences with the calendar year of their admission.

[2] *Gross Active Revenues* include the aggregate of accounting and non-accounting revenues from employment, self-employment, and all other active sources, whether earned personally or through a business entity. *Gross Active Revenues* do not include Employment Insurance benefits, pension income, support payments, or disability income.

[3] The consequences of a referral to CPABC's Investigation Committee may include having the outcome of the ensuing investigation posted on CPABC's website.

Additional information

To view your CPD requirements and report your CPD activities, please visit CPABC's Online Services site at **services.bccpa.ca**. For more details about CPD requirements, visit **bccpa.ca/cpd**.

Reminder: Accurate CPD reporting is your responsibility



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As previously noted in this magazine, it is important to carefully review your CPD activities before posting them to your CPD report—particularly those activities taken through CPABC's Professional Development Program.

When you register for in-person courses, online on-demand courses, and live webinars offered by CPABC, these activities are pre-populated into the online CPD reporting platform; however, they are not automatically posted to your CPD report. You must therefore manually post these activities to ensure their inclusion in your report.

You must also verify the accuracy of each CPD activity before reporting it. For example, if you were unable to attend a registered PD activity, or only able to attend part of the activity, you must amend the "hours attended" field in the online CPD reporting platform before posting the activity to your CPD report.

To avoid duplicate reporting, please do not manually enter a completed CPABC PD course into your CPD report.

For more details about CPD requirements, visit **bccpa.ca/cpd** or email us at **cpd@bccpa.ca**.

Questions about CPD reporting?
Email us at **cpd@bccpa.ca** or visit **bccpa.ca/cpd** for more information.



A note about third-party CPD providers

We have recently been made aware that some of our members have been receiving emails from third-party CPD providers with course offerings and CPD advice. Some of these emails are written using a regulatory tone and include reminders about "CPA CPD" obligations and deadlines, offers of "accredited" courses to help you on your professional journey, or "guarantees" for verifiable PD. ***Regardless of the messaging or content in the emails, these third-party CPD providers do not represent CPABC, and we are not associated or affiliated with them in any way.***

At CPABC, your privacy is very important to us, and that is why we do not sell, trade, or otherwise transfer your personal information to third parties for promotional or commercial purposes. CPABC does not endorse or approve any third-party CPD providers nor the content of their websites or courses. Any references to "CPABC," "CPA British Columbia," or information about CPD requirements is done so without our consent, and CPABC is not responsible or liable for any of the courses offered by these third-party providers or the accuracy of the information on their websites.

Please contact us at **cpd@bccpa.ca** if you have questions or concerns about any CPD communications you have received.

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THANK YOU TO OUR VOLUNTEERS

CPABC Shines a Spotlight on Exceptional Ambassadors and Teacher Colleague Volunteers

Each summer , CPABC hosts its Ambassador Appreciation Event to thank volunteers for dedicating their time and energy to the profession through the CPABC Ambassador Program and CPABC Teacher Colleague Program. While the Ambassador Program provides opportunities for members, candidates, and prospects to share their enthusiasm for the profession at events and other information sessions, the Teacher Colleague Program focuses on providing interested high school teachers with resources about the profession that they can share with their students. Both programs are designed to promote the CPA designation and showcase the diverse career opportunities available to CPAs.

This year's event was held on July 10 at Gladstone Secondary School in Vancouver, where attendees had the chance to participate in a "Mini-lympics Event." Participants were separated into teams to compete for prizes in the following activities: "Find the Word," "Bean Counters," cotton ball relay, skipping, Frisbee, ping pong, and "Paper Airplane Javelin."

The event concluded with a networking reception, where everyone had a chance to connect with their peers and learn more about both the CPABC Ambassador Program and CPABC Teacher Colleague Program. Welcoming remarks were provided by Sheila Cheung, manager, student recruitment, at CPABC, who noted that there are currently 440 ambassadors on the program's roster: 34 high school ambassadors, 21 campus ambassadors, and 385 member and candidate ambassadors.

After thanking all of the ambassadors and teacher colleague volunteers for their contributions, Cheung invited members of CPABC's student recruitment team to present the annual "Ambassador of the Year" awards, which recognize the high school, campus, and member/candidate ambassadors who were most active in CPABC's recruitment activities during the school year, and the Teacher Colleague of the Year award, which was introduced in 2023. The 2024 award recipients are:

- High School Ambassador of the Year: **Sally Song**, high school student;
- Campus Ambassador of the Year: **Jagjot Singh**, post-secondary student;
- Member Ambassador of the Year: **Angela Kaiser, CPA, CGA**; **Betty Mak, CPA, CA**; **Gail Thiessen, CPA, CMA**; and
- Teacher Colleague of the Year: **Kitty Cho**, high school teacher.



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CPAEF BURSARIES

Deadline for CPAEF Bursaries Is November 15

Did you know that the Chartered Professional Accountants' Education Foundation of British Columbia (CPAEF) offers a variety of bursaries to individuals at different education levels?

Bursaries are available for:

- Undergraduate students who are taking accounting courses at certain post-secondary institutions in BC;
- Undergraduate students who are taking CPA preparatory courses through the CPA Western School of Business (CPAWSB);
- Candidates enrolled in CPAWSB's Professional Education Program; and
- CPABC members who've been accepted into an MBA program (or another related master's program) and intend to become accounting educators.

Note: Candidates in the CPA Professional Education Program at CPAWSB who are applying for a bursary may also be eligible for the CPAEF Childcare Supplement (for children under 12) and the CPAEF Benevolent Fund.

Applications and eligibility criteria for bursaries can be found on the CPAEF website at **bccpa.ca/cpaef**, along with detailed information about the full range of scholarships and awards available.

The next deadline to submit applications for bursaries is November 15, 2024.

Do you hire individuals interested in the CPA program?

Visit **bccpa.ca/cpaef** and explore the various bursaries available to them!

CPABC ONLINE

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Facebook.com/cpabc

Instagram.com/cpabc

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Access Resources on the CPABC Website

Newsroom



bccpa.ca/newsroom

Anti-Money Laundering



bccpa.ca/aml

Financial Literacy



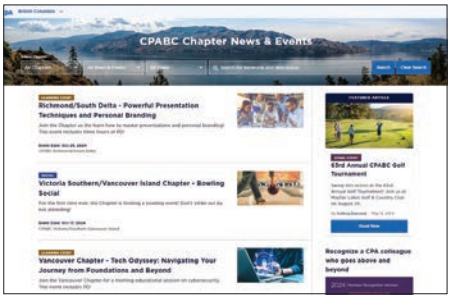
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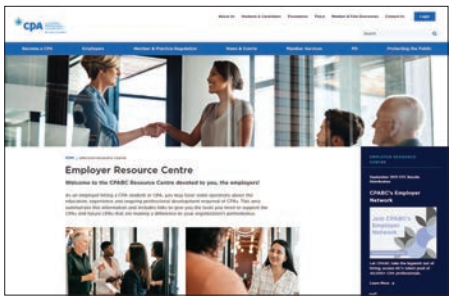
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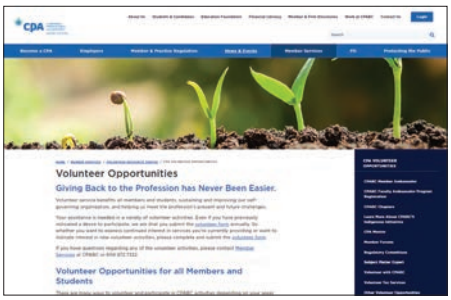
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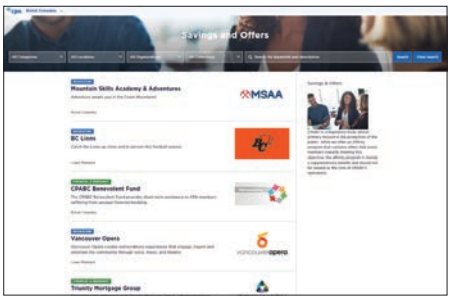
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Volunteer Resource Centre



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Bringing the Pieces Together

CPABC Board Chair Peter Guo, CPA, CA, shares his thoughts on opportunity, belonging, and the value of the CPA designation



"I'm not sure I should even be here," says Peter Guo with a chuckle, as he looks back over his career and some of the twists and turns that got him to where he is today.

The founding partner of MNP's enterprise risk services practice in BC and CPABC's new board chair likens the components of his career to a jigsaw puzzle, an analogy inspired by his wife Brenda's childhood hobby.

"Brenda became so good at jigsaw puzzles that she used to do them upside down," Peter explains. "I think life can feel like that sometimes—you can't see the final picture, and you don't always know how one piece is going to fit until another piece comes along."

What never changed, however, was the lens through which the picture emerged.

"My lived experience as an immigrant has shaped my view of the world," he says. "I'm proud to serve as CPABC's first Chinese-Canadian chair, and it's not lost on me that less than 100 years ago, the opportunities for many immigrants, including the Chinese, to become any sort of professional in Canada—let alone a board chair—didn't exist."

Having moved from Taiwan to Canada in the early 1970s (with a stopover in Germany while his father completed his PhD in civil engineering), Peter says he has seen how opportunities and barriers often intersect.

"I've found that opportunity usually comes as a result of hard work, but sometimes it just takes being in the right place at the right time—and often the context of society has to change before an opportunity can be realized," he says. "Dad was an engineer and Mom was a nurse, and they both struggled to get hired in their respective fields when they got to Canada. One person after another turned them away. If they were given a reason, it was because they didn't have Canadian education, experience, or credentials—or because they spoke broken English.

"I remember both of them enrolling in so many adult English courses to strive to improve their skills," he continues. "It was their *fourth* language, as they already spoke Mandarin, Hokkien, and German. For an educated couple with two young boys, this was another obstacle to overcome in a new land."

Still, his parents persevered. And, as is the case for many newcomers, this meant working entry-level jobs for many years. Even when his father eventually became a professional engineer in Ontario, he was relegated to junior positions, while Peter's mother found work on an auto parts assembly line.

It wasn't until his father got a job with the World Health Organization in Seoul, Korea, that opportunity and expertise aligned. It's one of the reasons Peter describes the family's move to Korea as life-changing—both for the family and for himself.

"While living in Canada, I'd pretty much disavowed my Asian heritage," he says. "You could count the visible minorities at my public schools on one hand, and I was constantly told that I didn't fit in. By contrast, in Seoul, I attended an international school with kids from all over the world and all walks of life—so many countries, cultures, religions, and values. I started to realize it didn't matter where I came from. It took this incredibly diverse environment to help me realize that it was okay to be my Asian self—that was so powerful."

While his time in Korea helped him reclaim his identity, Peter attributes one of his signature skills to his early years in Canada.

"People who know me say that I have the gift (and the curse) of gab," he laughs. "As one of only three Chinese kids in school (my little brother was one of the others), I had to develop some survival techniques. I could fight or run fast, but I learned very quickly that it was better to think on my feet and talk my way out of difficult situations."

What started as a coping mechanism soon became a passion.

"I really like meeting people," says Peter. "And being comfortable talking with people has opened the door to many unexpected opportunities and lots of learning in my life—including my pursuit of the accounting designation."

After graduating from high school in Korea, Peter returned to Canada to pursue a bachelor of science at the University of Toronto, with hopes of a career in medicine.

"This decision was partly influenced by my parents," he recalls. "Like many immigrants, they saw becoming a doctor as the peak aspiration for their children."

While his studies made for some unique experiences (including raising colonies of blood-sucking insects and extracting different DNA samples), Peter says he soon found himself questioning if he was on the right path.

"I enjoyed the lab work but not the solitude, so I compensated by getting involved in extracurricular activities at university," he says. "But then these activities took a toll on my grades—and, frankly, I was barely able to stay in school!"

He stuck it out, however, and it was while completing his undergraduate degree that his puzzle started to take shape.

"I joined student government, and that was my first real brush with organizational culture and board service," he explains. "Obviously, there was a social component that really appealed to me, but I also saw that we could create something as student leaders, and that ignited a fire in me."

Thus inspired and equipped with a life sciences degree, Peter decided to enter into a new graduate program at the University of Toronto's Rotman School of Management. This opportunity gave him the chance to earn an MBA while completing required accounting courses and getting paid as a co-op student at an accounting firm.

Photos by Kent Kallberg Studios | Profile by Megan Reid

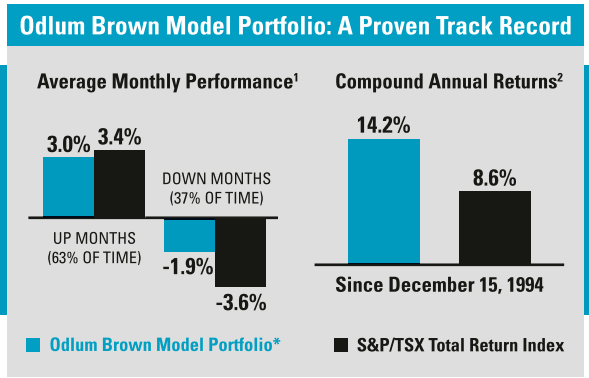


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[1]Performance measured mid-month from December 1994 - July 2024. [2]As of July 15, 2024. *The Odlum Brown Model Portfolio is an all-equity portfolio that was established by the Odlum Brown Equity Research Department on December 15, 1994 with a hypothetical investment of $250,000. It showcases how we believe individual security recommendations may be used within the context of a client portfolio. The Model also provides a basis with which to measure the quality of our advice and the effectiveness of our disciplined investment strategy. Trades are made using the closing price on the day a change is announced. Performance figures do not include any allowance for fees. Past performance is not indicative of future performance.



Peter at MNP's offices in Coal Harbour.

"It meant furthering my education and becoming a professional—honouring my parents," he says. "I didn't know anything about accounting, but I saw the intrinsic layers of value in the trifecta of academic credentials, work experience, and a professional designation."

Starting in the assurance practice of EY's Mississauga office, Peter says he quickly noticed that the firm had a lot of pharmaceutical and biotech clients. It was a perfect opportunity for the science grad and soon-to-be accountant.

"Once the partners realized I could talk about DNA, RNA, and proteins and understand the technical jargon in scientific reports and investor pitches, I got sent out to a lot more clients," he says. "Suddenly, feeding all of those blood-sucking insects meant something!"

In 1997, Peter earned his designation in Ontario and moved to what was then Price Waterhouse. He and Brenda got married the following year and moved to Vancouver three days after their wedding.

"We jumped on a plane so Brenda could finish her medical residency at UBC," he says. "I joined the information systems risk management practice at Price Waterhouse, and worked on financial audits, as well as system implementation, risk, IT audit, and consulting projects.

"In the Y2K era, there was an overwhelming demand for large systems and business process improvement skills," he continues. "And in the 'dot-com' era that immediately followed Y2K, I was able to bridge industry experience, because biotech and tech companies have some inherent similarities."

Shifting his focus to the tech sector also required him to expand his knowledge, and he subsequently pursued and obtained several IT certifications.

"As an accountant and an IT guy, I often say that my wife won the nerd lottery," he jokes. "But in all seriousness, my diverse training has been instrumental to my success, teaching me how to leverage technology in everything from strategy to functionality and workflow to cybersecurity and risk."

This unique combination landed him an invitation to join the advisory board for Business Technology Management and Business & Computer Science at UBC's Sauder School of Business, of which he's still a member.

"When I first got involved with Sauder 20 years ago, accounting and technology were distinct disciplines and very siloed," he recalls. "Now, CPAs must have skills in technology, cybersecurity, and data analytics. It's really exciting to see how the designation continues to evolve with disruptive technologies and the opportunities and risks that they bring."

Peter's mix of financial audit, enterprise technologies, and project management experience made him a go-to person for his firm when the *Sarbanes-Oxley Act* was introduced in 2002.

"It was the confluence of once-in-a-lifetime regulatory change in capital markets and the public's transparency demands on the accounting profession," he says. "I had the chance to work on building new methodologies, tools, and service offerings at PwC, and share them with offices around the world, which accelerated my partner admission."

In 2011, Peter was able to transfer this experience and expertise to establish MNP's enterprise risk services practice in BC. First, however, there was a brief detour.

"Between my time with PwC and MNP, I was a stay-at-home dad to our four kids—Spencer, Charlotte, Samuel, and Casey—for a year," Peter explains. "At the time, I wasn't sure what I wanted to do next with my career. But looking back now, my wife and I both see this period of uncertainty as an important piece of the puzzle, because it gave me time to reflect on what really mattered to me. It also enabled Brenda to start her own clinic, as up to that point, she'd been balancing a number of medical practices with being the primary caregiver for our family.

"That year was really special… and really chaotic," he adds with a sheepish grin. "The kids were definitely late to school more often when Dad did the drop-offs!"

During that time, he began jotting down career ideas, certain that he would *not* return to public practice. Then came a phone call from his friend and former colleague, Scott Crowley, with "a not-so-subtle opportunity" to join MNP and start up a new practice in BC.

"Initially, I turned him down," says Peter, "but he asked me to think about it, and I promised I would. I owed it to our friendship to check it out."

Over the next several months, Peter found out everything he could about the firm, even cold-calling employees and partners across the country.

> *As an accountant and an IT guy, I often say that my wife won the nerd lottery. But in all seriousness, my diverse training has been instrumental to my success…*



> *People are multi-faceted. That's why it's so important to focus on the breadth of EDI as we're looking to attract more people to the profession. We want people to be able to be their best selves.*

"Everyone I talked to relayed the same message: MNP is very entrepreneurial," he says. "I decided to accept the offer, because I was really excited by the opportunity to build something from the ground up, with real autonomy and solid support."

In addition to growing the enterprise risk services practice from a party of one to a multi-faceted team with six partners across three BC offices, Peter has held lead roles with MNP's post-secondary education and cannabis practices and completed projects for Indigenous governments and business.

"It has been my privilege to learn from so many people," he says.

Another of his areas of long-term focus is equity, diversity, and inclusion (EDI). Peter currently serves as an executive partner sponsor of the EDI Committee for the firm's Vancouver office. "EDI is always going to be a part of who I am," he says. "It comes back to creating a sense of belonging. I'm a real believer that the sum is greater than the whole of its parts."

Peter is also a member of the Greater Vancouver Board of Trade's Diversity & Inclusion Leadership Council, and he plays an active role in CPABC's EDI journey at the board level.

"People are multi-faceted," he says. "That's why it's so important to focus on the breadth of EDI as we're looking to attract more people to the profession. We want people to be able to be their best selves."

He describes his passion for harmonizing EDI as one of three main drivers for his volunteerism, along with improving the immigrant experience and coaching young people.

"When I was growing up, my mother instilled in me a responsibility of giving back and leaving things better than how I found them," he says. "I want other newcomers to Canada to feel a sense of belonging and community that my family didn't experience in those early years."

Peter's many contributions to the community include serving on the boards of the Association of Chinese-Canadian Professionals and S.U.C.C.E.S.S. (both in Vancouver) and volunteering as a youth soccer manager and coach, a guest lecturer for UBC's Sauder School of Business, and a business-case judge at Douglas College.

"I find it fun and engaging," he says. "When I look at many business students, I see their potential but also their uncertainty as they try to find their way. I often tell them: 'Once you get your CPA, it's like being given a magic key that opens any door you could ever imagine.'"

Peter is passionate about ensuring that there are opportunities for current and future CPAs and building strong engagement within the profession and within BC communities. His advocacy for and belief in the value of the CPA designation are primary drivers for why he got involved with the CPABC Board of Directors.

"We have many important priorities over the coming year," he says. "Nationally, we're coming together to re-imagine a cohesive and collaborative profession, and I think our commitment to building continuity of knowledge *and* continuity of relationships will be key to moving forward. We're also working on a progressive curriculum that addresses future business and societal needs. These are new and exciting puzzles for all of us to work on together."

As for his own puzzle? Peter says it's still not complete, and that's okay.

"I think part of the reason I ended up where I am today is because I didn't have a plan—and to some extent, I still don't," he says with a smile. "In the rich, wonderful expanse that is Canada, my opportunities and challenges have often been intertwined. Now I'm able to look back with gratitude and see how all the different pieces that once seemed so disjointed were able to click together.

"Perhaps," he adds, "I am where I'm supposed to be now." ■

Megan Reid is a communications coordinator at CPABC.

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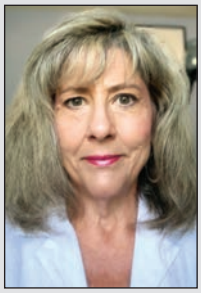
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Reinvention Imperative: How Executives Can Navigate GenAI

By Shelley Gilberg, CPA, CMA

The potential for generative AI (GenAI) to change our workplaces seems almost limitless, so how is your organization responding? While some organizations are embracing this technology wholeheartedly and others are taking a more cautious approach, it's clear leaders need to identify and act on the business value offered by GenAI while also addressing its challenges and risks.

The reinvention imperative

With the business environment undergoing monumental change, organizations have to evolve and even reinvent themselves. In fact, according to *PwC's Annual Global CEO Survey: Thriving in an Age of Continuous Reinvention*,[1] one-third of Canadian CEOs don't think their company will survive the next 10 years without making major changes to their processes and products. One strategy for evolution is, of course, through a greater adoption of technology.

Looking at GenAI specifically, its potential for both positive and negative disruption has already sent shockwaves across entire industries. In the context of the work that we do as CPAs, AI is going to be the "industrial revolution" of knowledge work, transforming how we use information and find insights, and how companies deliver results at speed and at scale. The aforementioned survey found that 60% of global CEOs see GenAI mostly or fully as an opportunity rather than a risk; however, they're less clear on how it will affect their organizations, and they're not necessarily sure how to prepare for its impact.

Since very few organizations will be untouched by GenAI in terms of growth, productivity, and risk, the question isn't *if* organizations will adopt GenAI, but *when* and *how*, and the type of value they will try to extract from its implementation.

[1] PwC, *PwC's Annual Global CEO Survey: Thriving in an Age of Continuous Reinvention*, **pwc.com**, January 15, 2024.

Top concerns among leaders

In my role as PwC's national platforms leader, I work extensively with boards and CEOs on their most pressing issues and opportunities, including technology solutions. Our conversations about GenAI are constantly evolving, but the following concerns now arise most frequently:

- **Return on investment:** Many organizations have already spent a significant amount of money on technology without necessarily seeing benefits or a return on investment. Consequently, executives are holding investments in new technologies like GenAI to a higher bar in terms of expectations. Leaders are trying to determine which GenAI processes or use cases justify the costs of replacing legacy systems, on top of the costs of GenAI licences and technology. While free versions of GenAI are available for many providers, the costs of the technology, energy use, and carbon footprint implications are significant when the technology is applied at an enterprise level. Furthermore, many companies haven't modernized their data systems—for example, by moving them to the cloud or replacing aging legacy systems—and, as a result, they aren't currently able to capitalize on the power of GenAI.
- **Necessity:** Some of the use cases for which GenAI is being considered could just as easily be resolved by using existing and potentially much less expensive automation or process redesigns.
- **Workforce implications:** Recognizing that GenAI's impact on the workforce will be significant and multi-faceted, leaders are grappling with complex questions about human capital. For example, how can they maintain a talent pipeline if repetitive or frequently done work is taken out of play? How can they upskill their workforce to partner with tools like GenAI, which, in many cases, still need human supervision and review?

In addition, risk management is a perennial consideration. The article "How the C-Suite Can Foster a Risk-Aware Approach to GenAI Implementation"[2] outlines six activities that executives can take to manage risk. One of the key points in the article is that boards can help organizations ensure a healthy balance between seeking opportunity and navigating risk. This requires the board and management to align the company's risk tolerance and appetite, the business value of opportunities, and the full costs of leveraging GenAI. In addition, the board can help management develop governance processes and controls to monitor, identify, and mitigate related risks.

To support this process, leaders can draw on existing guidance, such as the explainability, data, governance, and ethics (EDGE) principles created by the Financial Industry Forum on Artificial Intelligence[3]; Canada's *Artificial Intelligence and Data Act*, which "set[s] the foundation for the responsible design, development, and deployment of AI systems that impact the lives of Canadians"[4]; and the OECD's AI Principles, which promote the use of innovative and ethical AI.[5]

It's also important to note that employees' level of training can be both a key risk factor and a vital safeguard when it comes to an organization's use of GenAI. By way of example, PwC Canada invested in approximately 8,000 licences for the GenAI software Microsoft Copilot, and we provided required training and attestations before allowing staff to use this technology.

Approaching and addressing these concerns

How organizations navigate these challenges will differ by industry, sector, and company culture, but it can help to consider the following factors:

- **Productivity:** GenAI could trigger a renewed productivity "arms race," that is, a drive to capitalize on the productivity improvements offered by this technology. Successful adopters will be those who are very deliberate about the outcomes they're pursuing (new revenue streams, productivity gains, reinvestments in the business and its people, and/or customer rewards.
- **Partnerships:** GenAI has the potential to trigger a much greater reliance on partnerships. Leading firms will take a hard look at how they create value. They will examine the ecosystem in which they operate and their role within it, as well as the other players involved. What potential does your organization have to partner with other players and perhaps expand the ecosystem in which it operates?
- **Humans and tech:** As they look to implement GenAI, leading firms are going to help their workers reimagine the relationship between humans and AI and other technologies.
- **Speed:** Leading firms will find a way to leverage GenAI to differentiate their products and services on the basis of speed. A timely response to the concerns outlined above will also be a unique way to set their organizations apart.
- **Defence:** Successful and responsible adopters will recognize that the AI capabilities that can enhance interactions with customers and employees can also be weaponized. These organizations will invest in systems to defend against potential threats.

Ultimately, the underlying thread connecting all five of these factors is that the trust of stakeholders—including customers, employees, governments, and regulators—will be paramount. Your stakeholders will need to trust your approach to GenAI; otherwise, your company will achieve suboptimal adoption and value.

[2] PwC, "How the C-Suite Can Foster a Risk-Aware Approach to GenAI Implementation," **pwc.com**. Accessed July 9, 2024.

[3] Global Risk Institute, *Responsible AI in the Financial Services Sector: Unveiling the EDGE Principles to Enhance Risk Management*, **globalriskinstitute.org**, June 21, 2023.

[4] Government of Canada, *Artificial Intelligence and Data Act*, **ised-isde.canada.ca**. Accessed July 9, 2024.

[5] OECD.AI Policy Observatory, "OECD AI Principles," **oecd.ai**. Accessed July 9, 2024.

Exploring GenAI's potential to bring value

Along with risks and concerns, GenAI has, of course, the potential to bring incredible value. According to *PwC's Global Digital Trust Insights* 2024 survey, approximately 75% of both business and technology leaders believe GenAI-supported or led processes will increase employees' productivity within the next 12 months. Most organizations (about 77%) also believe GenAI is going to help organizations develop new lines of business within the next three years.[6]

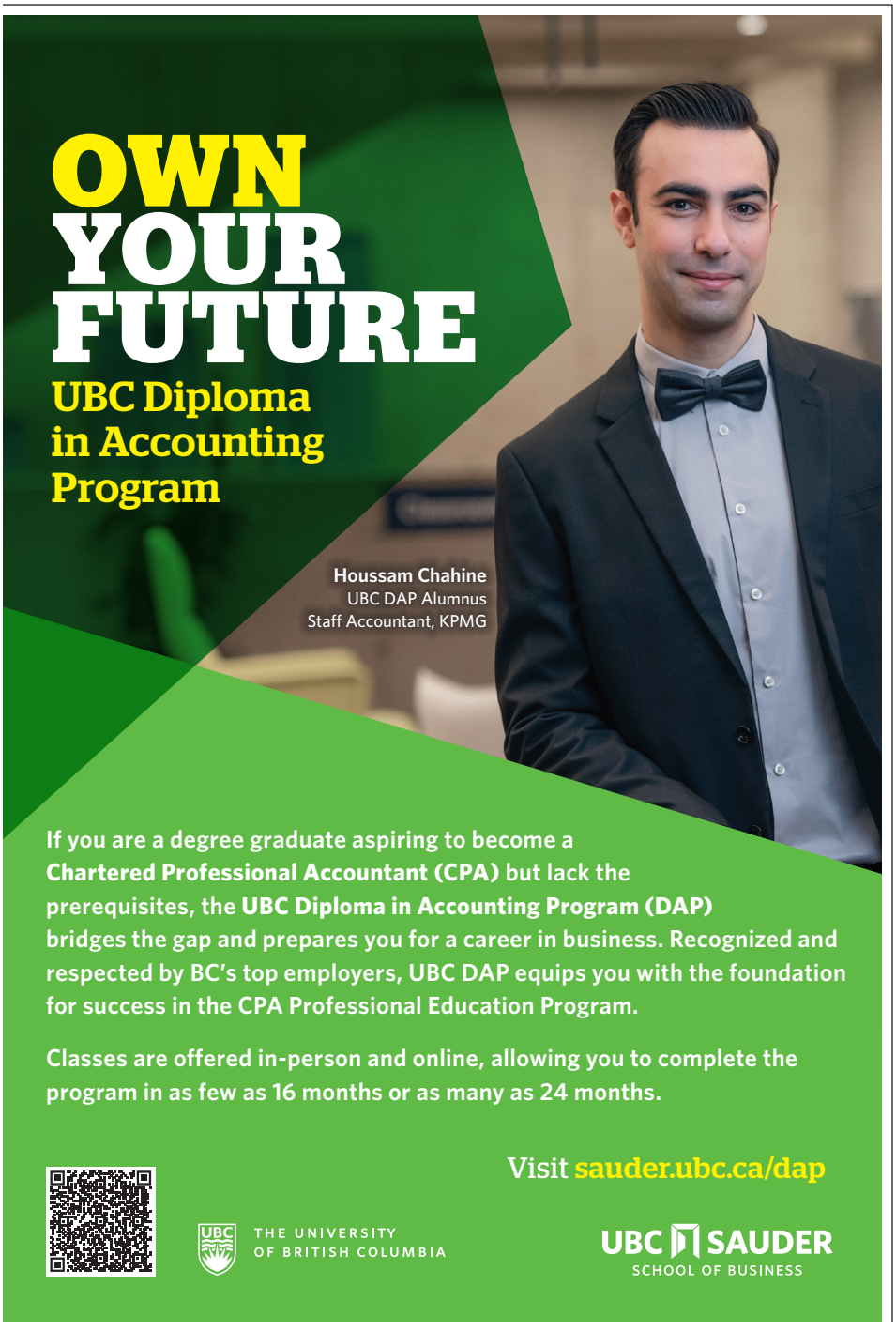
GenAI's ability to bring value will vary by sector, industry, and organization. Sectors that are more exposed to AI—meaning it's quite easy to use it for some of their tasks—are already seeing much higher labour productivity and growth.[7] Sectors that are positioned to quickly realize high profits—for example, software companies using GenAI to write code—have the potential to see profit margin increases of 20 percentage points.[8] Even for sectors with potentially smaller gains, such as transportation and logistics, a one percentage point increase in profitability is worth exploring. All companies have an opportunity to explore what is possible.

This exploration of value is not just about a single task or action. The companies that will achieve the most value are those that will look at end-to-end processes to determine how to capture new opportunities for productivity in the back, mid, and front office. And organizations that are considering using GenAI to interact differently with their customers and generate new revenue streams will need to consider their value streams end-to-end.

What adoption looks like in finance and accounting

From a broad perspective, within our clientele and the business sector at large, we're seeing GenAI being applied to many key activities and processes in finance and accounting. Currently, the primary applications are for financial statement generation and commentary, forecasting, financial analysis, fraud detection, and document processing. Many major finance and accounting software providers are also developing either built-in GenAI upgrades or add-ons that can take the place of canned and ad hoc activities, like reports.

As well, it's possible that finance and accounting teams will soon be able to access off-the-shelf GenAI products rather than building these products internally.



[6] PwC, *PwC's Global Digital Trust Insights*, **pwc.com**. Accessed July 9, 2024.

[7] PwC, "AI Jobs Barometer", **pwc.com**, May 21, 2024.

[8] PwC, "The Path to Generative AI Value: Setting the Flywheel in Motion," **pwc.com**, April 8, 2024.

What keeps me up at night – concerns and opportunities

Canada's position as a slow adopter concerns me. We are behind in productivity and in rates of AI and GenAI adoption, both of which could help with our productivity challenges and labour shortages. We've seen slower growth in demand for AI skills in job postings compared to the United States and the United Kingdom,[9] as well as a much smaller wage premium for people with AI skills across industries in Canada, which creates a disadvantage in terms of recruiting talent. Our country runs the risk of falling further behind on adoption and productivity and undervaluing in-demand global skills for knowledge work.

[9] Jim Wilson, "Canada Runs the Risk of Falling Behind on AI Adoption," **hcamag.com**, May 23, 2024.

On the positive side, GenAI presents a breadth of opportunity for people to gain more enjoyment from challenging work and for organizations to realize new value. I am optimistic that the more we can focus our human talent on building relationships and trust—for example, by building bridges between people and organizations, the public and private sectors, and educational institutions and government—the more we will benefit. We also have the opportunity to focus our passion and attention on business and global problems that can't be solved by algorithms alone, and this can benefit us on a personal, national, and global scale. ■



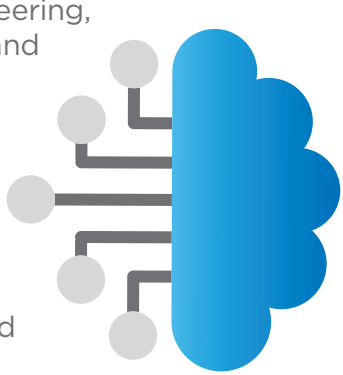
Shelley Gilberg, CPA, CMA, ICD.D, is PwC Canada's managed accounts leader and previously served as the firm's national platforms leader. She is a member of PwC's extended leadership team and one of its ESG strategy partners. Prior to joining PwC, Shelley was a senior executive in industry. She has held board roles on both audit and technology committees, actively mentors in industry and for graduate business schools, and is a founding member of Vancouver Women in Technology. Shelley uses this diverse background to help organizations determine the best levers and actions to manage risk and capture opportunities, with a focus on pension funds and private equity and clients in the real economy. Photo by Mike Byrne of Clock Tower Images.



Social Engineering 101

As cybersecurity expert Michael Argast explains on pages 26-28, social engineering, along with AI and automation, is making cyberattacks both easier to launch and harder to detect. In addition to increasing the volume of attacks, these tools are enabling threat actors to use personalization to lend legitimacy to their schemes—a trend that echoes an earlier observation made by the Canadian Anti-Fraud Centre (CAFC): "Fraud is becoming more personal."[1] The CAFC goes on to say that the readiness with which Canadians are sharing personal details on social media is giving fraudsters an added advantage.[2]

Recognizing the ever-increasing sophistication of cybercrime, we wanted to highlight some common social engineering scams and explain how AI and automation are being integrated into these attacks to defraud Canadians.



The social engineering life cycle

The Canadian Centre for Cyber Security breaks social engineering's life cycle into four stages:[3]

1. THE BAIT

Bad actors research individuals and organizations through social media and other sources.

2. THE HOOK

Using social connection, sympathy, urgency, or threats, bad actors hook their victims.

3. THE ATTACK

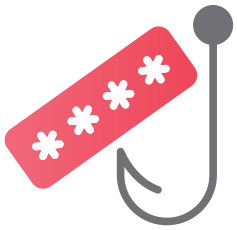
Victims are tricked into giving access to their financial assets or other sensitive information.

4. THE ESCAPE

Once the bad actor gets what they want, they disappear.

Common scams and the $$$ lost

The CAFC estimates that only 5% to 10% of fraud and cybercrime is actually reported, which makes the available figures all the more staggering.[4] Consider, for example, the dollars lost by the Canadians who reported being victimized by the following social engineering scams in 2022:[5]



Romance fraud
$59M lost

Bad actors target victims through online dating sites and apps.

Spear phishing
$58M lost

Bad actors send customized messages with malicious links to potential victims.

Emergency fraud
$9M lost

Bad actors contact a senior claiming to be a family member in an emergency situation.

Job fraud
$7M lost

Bad actors target job seekers with bogus opportunities.[6]

AI in social engineering



The CAFC warns that use of the following AI technologies is on the rise in the fraud environment:[7]

Dialogue-based generative AI

Threat actors are using apps such as ChatGPT to impersonate others in text-based conversations.



Voice cloning

With a few soundbites, threat actors can replicate voices to make their scams more convincing.

Deepfakes

Threat actors are increasingly using AI-generated video and images to defraud victims.

Malicious bots

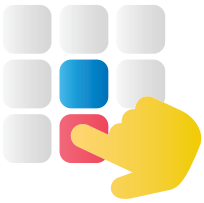
The most widespread tool used by threat actors, bots can be programmed to send emails, texts, and social media messages and are becoming more sophisticated.



Beware of these social engineering tactics as well:

Quid pro quo[8]

Convincing a victim to give up sensitive information in exchange for the promise of a service.



Spoofing[9]

Masking or forging a website, email address, or phone number so that it appears to originate from a trusted source.

Smishing[10]

Sending scam messages by SMS or text to launch a phishing attack (e.g., getting recipients to click on malicious links).

Typo-squatting[11]

Registering malicious sites with URLs similar to legitimate sites to prey on users who mistype.



Protect yourself

Visit **antifraudcentre.ca** for tips on how to protect yourself and **bccpa.ca/newsroom** for more information on social engineering.

1 Canadian Anti-Fraud Centre (CAFC), *Annual Report 2022*, **publications.gc.ca**, 2023 (3).

2 Ibid (5).

3 Canadian Centre for Cyber Security (the Cyber Centre), *Protecting Your Organization Against Social Engineering*, **cyber.gc.ca**, October 2023 (2).

4 CAFC (2).

5 Ibid (10).

6 Government of Canada, "Jobs and Employment Scams," **competition-bureau.canada.ca**. Accessed August 6, 2024.

7 CAFC (51-53).

8 The Cyber Centre, *Protecting Your Organization Against Social Engineering*, **cyber.gc.ca**, October 2023 (1).

9 The Cyber Centre, *An Introduction to the Cyber Threat Environment 2023/2024*, **cyber.gc.ca**, 2022 (14).

10 Communications Security Establishment Canada, *Annual Report 2023/2024*, **cse-cst.gc.ca**, 2024 (38).

11 The Cyber Centre, *An Introduction to the Cyber Threat Environment* 2023/2024 (15).



Peter D. Johnston is the managing director of Negotiation Advice International (NAI) and the award-winning author of the global bestseller *Negotiating with Giants*. A leading negotiation advisor, thinker, practitioner, and speaker, Peter has advised corporations, governments, entrepreneurs, and individuals around the world. He led the session "Excellence in Negotiation" for CPABC's PD Nexus Day: Business and Leadership Insights on July 25, 2024. Photo by Robert d'Estrubé.

Seven Big Mistakes to Avoid When Negotiating the Sale of Your SME

By Peter D. Johnston



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In the following article, internationally recognized negotiation expert Peter D. Johnston describes seven of the most common mistakes he sees entrepreneurs make when trying to sell their small or medium-sized businesses. The original version of this article was published by NAI on March 5, 2024; it has been edited and reprinted with permission.

If you're an entrepreneur looking to sell your small or medium-sized business, here are the biggest mistakes you'll want to avoid.

1. Not knowing in advance exactly what you want from a sale.

Do you still love going to work and want to stay involved in some way? Do you want to sell all of your business or just part of it—with the potential for selling more later on? Will you be upset if your business is turned into something much more valuable not long after you sell? Would you be angry if any members of your team were fired by a new owner? Would you care if your business were turned into something quite different from the one you created, or do you only care about getting the highest price possible? If you're planning to exit the business entirely, do you think you might someday want to re-enter the same industry?

These are just some of the pressing questions you need to fully consider before negotiating the sale of your business. Assessing your short- and long-term wants ahead of time will enable you to best structure your sale and exit from the business while also protecting your most vital interests.

2. Not weaving together your negotiation strategy and your business execution.

Ideally, long before you sell, you should ensure that you're not doing anything that could limit the interest of those best positioned to buy your business. This means evaluating in advance the profile of those who might want to buy a part, or all, of your business. Consider what these potential buyers might care about, including your market positioning, standardized business practices, product documentation, services and software coding, the different technologies you employ, the culture you've developed, your compliance with relevant laws and regulations, and your reputation among competitors and clients/customers.

In short, you can have the best negotiation strategy at the time of sale, but if you're making decisions now that could undermine your business's perceived value, you risk ruling out some buyers entirely and/or unnecessarily lowering the value you'll receive in a sale.

3. Letting your buyer dictate the selling and purchasing process.

An amazing entrepreneur once called me after being approached by a large public company seeking to buy out his business. The CEO of the larger company wanted him to get on a plane ASAP to discuss and close the deal. I advised the entrepreneur against going, because giving exclusive access to one buyer on short notice risked closing him off from other buyers before he'd appropriately valued his business, actually decided that he was ready to sell, or gathered other leads.

In every negotiation, there are two negotiations happening concurrently: one focused on the "what"—the terms of the deal (the substance)—and the other focused on the "how"—how you reach agreement (the process). Important process considerations include whether, when, and/or where to meet; who'll be attending; the agenda; the overall timeline; and if you'll be granting the buyer an exclusivity period. You'll also need to consider how you'll perform your due diligence and when exactly to get lawyers involved, all with a view to maximizing the perceived value of your business while simultaneously nurturing strong working relationships with one or more prospective suitors.

4. Being distracted from running your business.

For most owner-entrepreneurs, running a business is all-consuming at the best of times—never mind when they're trying to sell it. The selling process requires owners to create marketing documents, generate projections and valuation figures, attract potential buyers, negotiate terms, oversee due diligence, document the deal, and more. The catch-22 is that if you take your eye off the business to focus on this process, you could jeopardize your operations and/or stymie your growth, both of which could affect your valuation.

If you have the internal capacity, consider putting another person in charge of the selling process while you continue to run the business. This person will consult you throughout and ensure that you're involved at any important juncture, including when decisions have to be made. If you don't have this internal capacity, consider hiring an outside expert to share the load.

5. Not protecting important assets during the sales process.

Important assets include your intellectual property (IP), your business secrets (those that can't be protected by IP filings), your client lists, your detailed financial information, and any proprietary sales and marketing data. All of these assets can be exposed inappropriately even with a non-disclosure agreement in place, thereby enabling potential buyers to gain unwarranted leverage in their negotiations with you—or empowering them to simply walk away, equipped with the information needed to compete more effectively with your business.

To protect your assets, you'll need to carefully vet your suitors and their intentions, request formal IP filings as appropriate, and negotiate the incremental and mutual sharing of the right information at the right times.

6. Not having a unified team internally.

To maximize the value of your business externally, you first need to negotiate internal alignment, which may include ownership stakes. All key members of your team should be appropriately compensated, incentivized, and committed to the sales process. If valued team members have different perspectives on selling or see themselves as potential losers if a sale goes through, this can undermine your efforts to sell. Individual roles need to be well defined, any missing roles filled, and any long-standing conflicts among significant employees or shareholders managed.

The goal is to create a strong and cohesive team, with everyone rowing in the same direction to create momentum for the sale. This kind of unity makes it hard—if not impossible—for a potential buyer to exploit internal differences, poach employees from you, access information leaks that undermine your value, or simply walk away because of internal discord or fractured decision-making (both of which make the business less attractive).

7. Valuing a business inappropriately and discussing value in unhelpful ways.

Whatever anyone may tell you, there's a significant dose of influence strategy mixed in with the science of valuation—whether we're valuing a company by cash flow projections, asset valuations, or multiples applied to cash or earnings. The strategy and tactics related to the ultimate valuation include how you frame the context for a sale, whether you focus on one or more suitors, and how the benefits of future improvements to the business are to be divided between buyer and seller.

Finally, getting to the right valuation means structuring the deal before valuing the business. Don't let potential buyers pressure you into putting a price tag on your business too soon, as this will work against you regardless of whether you set your price too high, too low, or just right. Wait until you and the buyer both learn just how strong the fit might be in terms of mutual value; this will be after extensive interactions and not before you've jointly explored different ways to put your deal together, including the tax treatment. ■



Michael Argast is the co-founder and CEO of Kobalt.io, a cybersecurity company that assesses, develops, and runs cybersecurity programs for SMEs. His past experience includes serving as a security leader for TELUS and as the global head of sales engineering for Sophos. Michael is the author of "How SMEs Can Start and Gain Company-Wide Support for Cybersecurity," which was published in the CPABC Newsroom on April 16, 2021. You can read it at **bccpa.ca/newsroom**.

Top Cybersecurity Concerns for SMEs

A Q&A with cybersecurity expert Michael Argast

By Michelle McRae



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A year has passed since we published "A Cybersecurity Update for CPAs,"[1] and the threats outlined in the article have only continued to increase in sophistication and reach. The difference, perhaps, is that more and more small and medium-sized enterprises (SMEs) are now finding themselves caught in the wide net of cybercrime.[2] To find out why, we recently spoke with Michael Argast, the co-founder and CEO of cybersecurity firm Kobalt.io, which specializes in helping SMEs.[3]

Before we dive in, can you explain how you came to work with SMEs?

I'd actually been retired for three or four years when I was presented with the opportunity to co-found Kobalt. Having already done security for 50 large enterprises all over the world, I had to ask myself: "Why should I get back into this?" The simple answer was that SMEs had always been the unresolved problem for me with regard to cybersecurity. There's been a lack of support for them and a lack of focus on them. And yet all the job creation and innovation in this country starts with these smaller enterprises. So I decided that if I could help SMEs survive and thrive in a challenging cybersecurity environment, it was a very good reason to come out of retirement.

1 "A Cybersecurity Update for CPAs," *CPABC in Focus*, September/October 2023 (20-27).

2 Gary Smith, "Cybercrime Statistics 2024 (Shocking Trends You Must Know)," **stationx.net**, June 17, 2024. See the section "Cybercrime by Organization Size."

3 In the context of this article, SMEs are enterprises with one to 1,000 employees.

What do you see as the biggest cybersecurity challenges for SMEs today?

There are a few obvious ones. Ransomware is not going away, unfortunately. And business email and transfer fraud is a quiet but deadly killer. In fact, about one in four SMEs I've talked to has lost $150,000 or more in the last 12 months to this type of fraud. So it's broadly occurring but not talked about much in the media, and yet it's relatively easy to address.

Additionally, both the quality and the volume of attacks have increased significantly over the past year. One of the main reasons for this is the adoption of AI, automation, and social engineering, all of which is making life easier for attackers and harder for their targets. This is certainly true for SMEs, given that most attacks start off as automated campaigns and then switch to targeted measures once a point of compromise has been found. So that's another thing that is significantly changing the risk landscape.

The last challenge is even less talked about, and it's one that's especially hard for SMEs to manage: third-party risk. Most organizations today don't run their own technology stacks. They don't host their own data. Instead, they rely on SaaS[4] providers and cloud providers of various pedigrees to do that. And third parties are getting compromised all over the place.

Attackers particularly like to target juicy suppliers with multiple supply chain partners, because they know a successful breach will gain them a lot of downstream access. In 2020, for example, attackers who breached a major fundraising software company were able to access the data of more than 13,000 non-profits.[5] There's an endless list of these sorts of situations.

You mentioned social engineering—can you talk about how its use has evolved?

AI is being used in a variety of different ways now. Better written content is an example where it's tailored to the particular target. If you want to mimic a CEO, for example, you can feed in a bunch of the CEO's previous writing and use AI to draft an email that has the same tone and language.

Video and voice tools are also becoming more prevalent as they become much less expensive. We've seen scenarios where real-time deepfakes of existing employees have convinced people to transfer funds. There was a company in Asia, for example, that lost more than $25 million after a simulated CFO convinced an employee to transfer money during a video conference call.[6] And voice is much easier than video, because you can use a four-second sample of somebody's voice to launch simulated messages and have real-time conversations.

4 SaaS: Software as a service.

5 Sara Herschander, "FTC Orders Blackbaud to Overhaul 'Shoddy' Security Practices Behind Data Breach," **philanthropy.com**, February 5, 2024.

6 Heather Chen and Kathleen Magramo, "Finance Worker Pays Out $25 Million after Video Call with Deepfake 'Chief Financial Officer,'" **cnn.com**, February 4, 2024.



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So one of the things that's *really* important for people to understand is that you can no longer confirm that the person you're talking to is the person you think they are by voice or video alone. You *have* to have other mechanisms in place to validate their identity. It's a real challenge.

How can we combat these kinds of sophisticated attacks?

It's a good question. Right now, attackers don't tend to compromise multiple channels—for example, if they're going to compromise your email, they're typically not going to go after your phone, your Teams or Slack, and your other channels of communication as well. So one of the ways we tell people to protect themselves is by using out-of-band reverse-direction validation. This means that any time you get a request to set up or change payment information, you contact the sender on a different channel to confirm that it's legitimate.

For example, let's say I'm emailing back and forth with my COO. If I switch over to Slack to validate something we've discussed by email, the probability that attackers will simultaneously compromise both of these channels is lower. Of course, how long it will stay that way is another question—attackers weren't really targeting multi-factor authentication [MFA] two years ago, but they're doing so quite aggressively now. It's always a cat and mouse game, so if you can keep yourself a couple steps ahead of the attacker, you can buy yourself some time.

Are SMEs really high-priority targets?

I often hear people say: "They're never going to target me. I'm just a small business." This is naive thinking about how attackers view them and about how attackers operate. It's not that small businesses are being targeted specifically—it's that attackers are using large-scale campaigns with automated software. They cast a very wide net, and SMEs become victims of opportunity.

Generally speaking, you want to be secure enough that you don't get caught up with everybody else. Attackers are lazy, so they're going to do whatever's easiest. That's why they like business email fraud so much—it's a one-step process. All they have to do is get you to transfer the money to the wrong account.

And AI is making it even easier for them...

Yes. Business email and transfer fraud is much more sophisticated than many people realize. It's not a sketchy email from your CFO requesting a financial transfer to an offshore account. The business email fraud that's happening today, with these wide-net attacks, enables attackers to live inside your email systems for weeks or months and insert themselves into existing chains of communication, which makes their activities seem highly credible. And they're going to target the single largest financial transfer you're going to do in six months.

So people really need to understand the level of sophistication involved and follow consistent best practices to make sure it doesn't happen to them.

What other critical cybersecurity measures should SMEs prioritize?

It's different at different scales of SME. For solo employees, it's about end-device security and education. This means making sure that your laptop is encrypted and password-protected; having a strong anti-malware solution running; using MFA everywhere you can, including in the cloud; and using a secure and trustworthy cloud service provider that has demonstrated at least the minimum due diligence of care to secure their infrastructure—through an SOC 2 report, for example.[7]

If you have five to 10 employees, it means taking a risk-based approach to how you invest in cybersecurity and what kind of controls you put in place. You may want to start by partnering with a cybersecurity firm to perform a simple risk assessment that will help you prioritize investments, including low-cost investments like MFA. Using MFA everywhere all the time really does have a big impact, but as I mentioned earlier, it's not a silver bullet. A lot of people have come to rely on it too much, and that's why attackers are now phishing MFA credentials the way they used to phish regular credentials.

Once you get a little bit larger—say 20+ employees—you can start putting in a proper security posture based on an industry standard like ISO 27001.[8] This used to be a lot more expensive and only reserved for larger organizations, but now even SMEs can implement one of these standards and dramatically reduce their risks. And then larger companies at the opposite end of the spectrum will typically have a security team. For them, taking a risk-based approach becomes even more important.

Any final thoughts you'd like to share?

A lot of small business owners think they have to build this themselves, but there are good service providers out there who focus on delivering cybersecurity services at a fraction of what it would cost to build these kinds of capabilities in-house. They know best practices, and they can scale their services to the size of the business.

Lastly, just by implementing some of the things we've discussed—MFA, out-of-band verification, etc.—you can dramatically reduce the risk of attacks being successful. This is a numbers game for cybercriminals, and you can stack the odds in your favour just by taking the right actions.

Thanks Michael! ■

[7] See: **aicpa-cima.com**.

[8] See **iso.org/standard/27001**.

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Jumping into the Deep End of the (Cash) Pool

By Tessa Reah, CPA, CA



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From a financial liquidity perspective, cash-pooling arrangements are a useful financing tool for multinationals seeking to ensure that funds are available to their entities. However, Canadian tax rules have generally rendered the use of cross-border "cash pools" prohibitive for Canadian entities within multinational groups, despite the commercial benefits of these types of arrangements.

Canada has enacted a multitude of complex income tax provisions targeting related-party upstream, downstream, and side-stream lending and borrowing arrangements, and these provisions have created an onerous compliance burden; in many cases, they have also resulted in a Canadian tax cost associated with cash-pooling arrangements. Further, given the CRA's designation of certain back-to-back arrangements[1] as being notifiable under the mandatory disclosure rules (MDR), taxpayers may now be required to go to the CRA "hat-in-hand" to disclose their participation in certain types of cross-border cash-pooling arrangements. Given this tax complexity, should the treasury departments of multinationals give pause to the participation of Canadian entities in cross-border cash-pooling arrangements?

[1] Government of Canada, "Notifiable Transactions Designated by the Minister of National Revenue," **canada.ca**. Accessed July 10, 2024. See notifiable transaction 5 ("NT-2023-05").

"While tax is one of the many considerations for any treasury department considering a cash-pooling arrangement, it seems to play a particularly weighty role for multinationals that are attempting to include Canadian entities..."

Cash pools 101

For context, what do we mean by a "cash-pooling arrangement," and how does it benefit an organization? Financial institutions use various terms to refer to these types of arrangements, such as liquidity management solutions, cash concentration arrangements, and global cash management arrangements. For the sake of this discussion, let's refer to these as cash-pooling arrangements, a term that broadly encompasses financial arrangements used to deploy cash resources within an organization in a timely manner. These arrangements have been in practice for decades and have increased in sophistication over time.

Generally, there are two types of cash pools: 1) physical cash pools, whereby participating entities have their bank account "swept" of its excess cash resources, which are then placed into the bank account of the cash pool manager (i.e., a financing entity within the group)—usually on a daily or continuous basis; and 2) notional cash pools, whereby there is no physical movement of cash, but the participating entity's bank account balance will be "notionally" debited or credited with the cash-pool balances of other participants, thereby optimizing the financial costs associated with treasury activities. Regardless of the type of pool, however, there are no explicit Canadian tax rules that address cash-pooling arrangements, and Canadian tax jurisprudence generally treats these transactions as having the character of a loan or indebtedness.

There are many upsides to using cash pools within a multinational organization, and the benefits can be meaningful. For example, cash pools can be used to allow for:

- Increased flexibility and timeliness in supporting the cash needs of discrete entities within the group;
- More centralized control and oversight of cash resources;
- Better management of foreign exchange exposures;
- Lower costs compared to those incurred when sourcing the funds externally; and
- A greater ability to streamline external banking relationships to one entity.

While tax is one of the many considerations for any treasury department considering a cash-pooling arrangement, it seems to play a particularly weighty role for multinationals that are attempting to include Canadian entities—in effect, tax in this case is like the metaphorical "tail wagging the dog." Moreover, given the CRA's administrative views concerning these types of arrangements, the unwary who choose to use them may face significant tax costs, such as income inclusions and withholding taxes.

A sample scenario

Since 2012, Canada has significantly strengthened the protection of its tax base through the introduction of (and amendments to) upstream loan provisions; foreign affiliate dumping rules; thin capitalization provisions and the recharacterization of denied interest to dividends; back-to-back rules in numerous parts of the Act[2]; and shareholder loan provisions.

Take a scenario whereby a Foreign Corporation (ForCo) has a Canadian Subsidiary (CanSub), as well as multiple Foreign Subsidiaries (ForSubs), and it employs a cash-pooling arrangement. If, as the cash-pool manager, ForCo uses positive funds from its ForSubs to support the cash needs of CanSub, these amounts will be treated as inbound loans to Canada for Canadian tax purposes. The consequential Canadian tax implications might include:

- The limitation of interest deductibility under the thin capitalization rules[3] (not to mention, the now effective EIFEL[4] rules);
- The leakage of withholding tax on interest paid to the cash pool manager; and
- The potential application of the back-to-back withholding tax rules, meaning that the CRA will look to the ultimate funding entity and not just the pool header (ForCo) to determine the proper entitlement to withholding tax.

This requires treasury departments to methodically trace the use of the funds within cash-pooling arrangements and create a system that will enable them to prove such tracing to the authorities, if ever challenged. If the corporate structure is simple and there are few entities in the cash pool, it's possible that the Canadian tax consequences could be manageable. However, when multiple entities are participating in a cash pool and potentially sweeping cash on a daily basis, the tracing of loan balances—which entities must do to comply with Canadian tax rules—is entirely impractical.

[2] *Income Tax Act* (ITA), Canada (R.S.C., 1985, c. 1 (5th Supp.)), as amended. For example, see the back-to-back rules in the following provisions: ITA 18(4) thin capitalization rules, ITA 15(2) shareholder loan rules, and ITA 212 withholding tax rules. Notably, ITA 212 also includes character substitution rules to trace to the ultimate economic transfer of value.

[3] ITA 18(4).

[4] See excessive interest and financing expenses limitation (EIFEL) under ITA 18.2.

> "Essentially, the ever-changing lending and borrowing position of a single Canadian entity participating in a cash pool increases the burden of tax analysis exponentially."

Slight modifications to the example above wherein CanSub either acts as a lender to the pool (i.e., CanSub has surplus cash that can be redeployed to other entities within the multinational group) or has its own foreign subsidiaries that are participants in the pool, render the Canadian tax consequences virtually impossible to manage, as both scenarios would require a constant and ever-updated analysis of the Canadian income tax provisions invoked. Some of the potentially applicable provisions have exceptions,[5] but often the criteria for these exceptions depend on the length of time the loan is outstanding (subject to the existence of a series of loans and repayments), the filing of certain elections, or the tracing of the loaned funds to the lender's active business. All of this means that if the lending/borrower position is only reviewed once per year, there may not be enough time to act in a way that mitigates the Canadian income tax exposure created by the cash-pooling arrangement.

Furthermore, tax directors are also charged with keeping all transactions in line with transfer-pricing parameters and considering the impact of the Multilateral Instrument[6] on withholding tax instances. Essentially, the ever-changing lending and borrowing position of a single Canadian entity participating in a cash pool increases the burden of tax analysis exponentially. And, ultimately, the attributes of a cash-pooling arrangement that are attractive from a treasury perspective (i.e., flexibility and the fluid movement of cash) are the very same attributes that complicate the Canadian tax analysis.

Adding to this complexity, Canada has now mandated that taxpayers (and their advisors) notify the CRA of the existence of certain "notifiable" transactions, and those who don't face large penalties. Under the MDR, a transaction becomes notifiable if it is the same as or substantially similar to the transactions designated by the Minister of National Revenue. Notably, one of the transactions designated as notifiable involves back-to-back arrangements in a manner seemingly broad enough to capture certain cash-pooling arrangements.

[5] Such as the shareholder loan provision in ITA 15(2), the upstream loan provisions in ITA 90(6), and the deemed imputed interest provisions of ITA 17(1).

[6] In the *Multilateral Instrument in Respect of Tax Conventions Act* [S.C. 2019, c. 12], "Multilateral Instrument" refers to the Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting [Schedule (Section 2)]. See: **laws.justice.gc.ca.**

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Using the earlier example to illustrate this complexity, if the Canadian withholding tax rate applicable to interest paid on a loan granted by ForCo to CanSub is less than the rate that would otherwise be applicable to interest on a loan granted by one ForSub to CanSub, the taxpayer may face significant penalties if they don't disclose the transaction on a timely basis. Additionally, an "advisor" involved in the transaction may also be liable for penalties if they themselves fail to disclose the transaction.

The upshot

So where does this leave Canadian tax and treasury teams seeking cash management solutions? Considering the factors discussed in this article, it's arguable that cross-border cash-pooling arrangements involving Canadian entities are not feasible from a Canadian tax perspective except in the case of very specific and narrow fact patterns. Moreover, even with narrow "permissible" fact patterns, compliance with Canadian tax rules requires significant monitoring of the use of funds.

Realistically, for Canadian tax reasons, treasury departments may be wise to eschew the involvement of Canadian entities in cross-border cash-pooling arrangements and choose simpler alternatives such as equity investments and straightforward lending arrangements, which have well-understood Canadian tax consequences. ■


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Focus Your Attention on What Matters Most

By Tanis Frame, MSc



Tanis Frame is a longtime facilitator and sought-after leadership coach. She is also a regular facilitator with CPABC's Women in Leadership Certificate Program.

There's nothing quite as magical as the distinct chirping of eagles calling to one another on a quiet summer morning. And as I watch them soar and turn on air, my world stands still—all noise, pressure, and striving drops away as I find myself mesmerized by their power and grace.

Eagles operate at a higher level. They're able to zoom their focus in and out according to their needs, pinpointing targets at high speed and with great agility, all while warding off competitors. If you've ever seen an eagle set its eyes on breakfast far below in the water, you know what I mean. It's no wonder these magnificent birds have been heralded throughout the ages and across cultures as symbols of vision and leadership.

My job is to help leaders and change-makers feel and operate like eagles. I spend my days supporting them as they harness the power of their most precious and powerful resource: attention. We tend to think time is what matters most, but it's not—it's our ability to manage and direct our attention. It's the capacity to train our attention away from the places it may default to and toward something more fruitful—especially in chaotic times and circumstances.

Yes, as leaders, we need to show up in the thick of things, executing with power and grace. But we must also find the stillness of the eagle soaring above. It's quiet up there, out of the fray and chaos, and that's where clarity is found. As leaders, we need to find that space.

Two power tools to help you reset and gain clarity

As a longtime life and leadership coach, I've seen first-hand how two simple tools can reliably help leaders and change-makers develop eagle-like focus, clarity, and agility.

Tool #1: Stop, Look Up, Breathe.

This simple practice is the best reset button around! It helps interrupt autopilot and can shift your nervous system state, expanding your perspective while grounding you in the present. This puts you in a place of agency for moving forward.

Go ahead and try it right now! All it takes is five seconds, and you can do it anywhere. Stop, look up—whether at the ceiling or a cloud-filled sky—and breathe. How does it feel?

Try this practice anytime you're feeling stuck, frustrated, or overwhelmed. I expect you'll be astonished by the power of this pause.

Tool #2: Pause, Paper, Pen.

Speaking of which… I think it's a tragedy that most of us now only pause to use pen and paper when writing to-do lists or meeting notes. There are so many more powerful and innovative ways to use these simple tools—from setting priorities and making decisions with confidence to managing mental health and navigating tricky relationships.

Chances are that you're already good at making lists, so let's use that super power for good! Here are two short lists you can write regularly to dramatically change your perspective and shift your attention to the right space:

List 1: What am I celebrating?

Pull out a pen and paper and pause to think about what you have to celebrate… from the last week or last year, about a current project or your team, or maybe about how you've shown up lately. Then write it down.

MORE FROM THE AUTHOR

Tanis was a presenter at CPABC's PD Nexus Day: Business & Innovation Insights on July 25, 2024. A recording of her seminar, "What Matters Most: Power Tools for Focused Leaders Ready for Impact," is available on-demand at **pd.bccpa.ca**. For her upcoming course dates, visit **pd.bccpa.ca/executive-certificate-programs**.



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Make this a recurring practice and see what happens. See what shifts for you, and what new perspectives open up. Reflect on how you feel and how you show up in your life and leadership as a result. I suspect you'll be delighted.

The good news is that this exercise gets easier with practice, and the insights you gain from it can inspire meaningful conversations both in the boardroom and at the dinner table.

List 2: What matters most?

Another impactful exercise is to ask yourself this simple question: "What matters most?" Choose only three things (yes, only three) and write them down. Then—and most importantly—act on the insights that emerge.

Identifying what matters most to you will enable you to align your actions to your values and put you on the fast track to thriving personally and professionally. Practising this, and seeing where it becomes difficult, will quickly show you what's getting in the way of you living your best life.

Asking and answering this simple but profound question might become your greatest life and leadership tool, especially if you're currently spread too thin, because it will help you dig deep where it truly matters. Powerful results will follow.

Soar to new heights

None of what I've described is rocket science, but these practices are based in neuroscience, so don't discount them just because they're simple. They're also tried and tested, and the only way to find out if they'll work for you is to give them a try. What do you have to lose?

If there's one message I want to leave you with, it's this: Your attention is your most powerful and most precious resource. Use the tools I've described here to master your focus and bring your attention to what will help you live and lead with more joy and impact. And finally, before winter comes, be sure to catch at least one eagle's inspiring master class in the sky. ■

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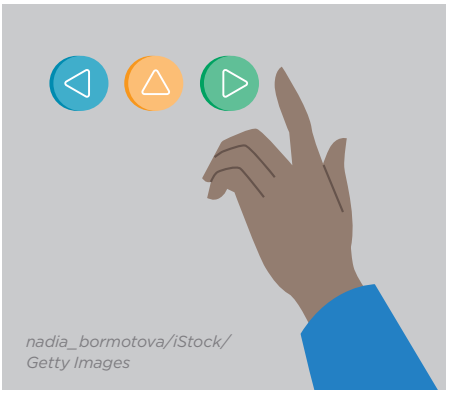
Controller's Operational Skills Program

December 18-21 | Online

Early-bird price: $2,350 + GST (valid for registrations received by October 18, 2024)
Regular price: $2,450 + GST

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PD PROGRAM HIGHLIGHTS

Early-Bird Pricing Ends Soon for PD Passports

As part of their commitment to professional development, CPAs are required to obtain a minimum number of CPD hours each year. CPABC offers a robust PD loyalty program to help members access quality courses, and the CPABC PD Passport program enables you to maximize your savings. Passport credits can be applied to any combination of two-hour, half-day, or one- or two-day CPABC PD seminars, and you can also use your passport for PD Nexus Days.

The 2024-2025 PD passports can be used for course dates between **September 1, 2024**, and **August 31, 2025**. *Note:* Early-bird pricing for our 2024-2025 PD passports expires on **September 25, 2024**. Check out our complete loyalty program at **pd.bccpa.ca** and email us at **pdreg@bccpa.ca** with any questions.

MINI PASSPORT	**PERSONAL** PASSPORT	**FLEXI** PASSPORT
Designed for CPABC members taking a select number of sessions through CPABC. • Exclusive to CPABC members • Single user • Non-transferable	Perfect for CPABC members taking multiple sessions throughout the year. • Exclusive to CPABC members • Single user • Non-transferable	Convenient way for organizations to budget education activities. • Available to everyone • Multiple users • Fully transferable
30 credits	60 credits	60 credits
Early-bird price: $875 + GST	**Early-bird price: $1,425 + GST**	**Early-bird price: $1,800 + GST**
Regular price: $975 + GST	Regular price: $1,650 + GST	Regular price: $2,050 + GST

CPA PRO

Look for this wordmark to identify quality PD courses created for CPAs by the CPA profession!

Practitioners: Don't Miss Out on Our New PD Series "Thriving in Public Practice"!

Join us for one session, one full day, or four days (once a week).

2024 dates: October 23 & 30, November 6 & 13 | PD Passport eligible



We know it can be hard to stay up to date while running a busy practice. That's why our new four-day program, "Thriving in Public Practice," features freshly updated sessions in a format that makes it easy to fit learning into your schedule. Topics include tax, technology, ethics, and practice management, and you can register for individual sessions, specific full days, or the whole four-day (once a week) series!

Visit **pd.bccpa.ca** for the most up-to-date information about this new program and to register.



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Preparing Comprehensive Canadian Individual Tax Returns: Expatriate & HNW Tax

October 9-10 and 16-17, 2024

Focusing on the specialized filing requirements for expatriate and high-net-worth (HNW) individual tax returns, this course enables tax practitioners at all experience levels to develop their skills by working on modified versions of real-life tax cases.

An Overview of Individual Tax Preparation in the US and Canada

October 22-23, 2024

This comprehensive course will help tax accountants deepen their ability to prepare US and Canadian tax returns for cross-border individuals. This course specifically discusses returns required for full-year resident, part-year departure, part-year arrival, and non-resident returns on the Canadian side, and resident, dual status, and non-resident tax returns on the US side.

Building Innovation

October 29, 2024

Incorporating innovation into your organizational practices starts with a deep understanding of what innovation truly means. This short course will help you learn how to incubate, resource, manage, and sustain innovation in your work and organization.

AI Ethical Frameworks for Accountants Certificate Program

December 4, 9, and 11, 2024

The in-depth curriculum of this certificate program is designed to equip CPAs with the knowledge and skills needed to address the ethical challenges arising from the integration of AI in the accounting sector. The program explores the significant impacts of AI on traditional accounting methodologies, emphasizing the importance of upholding ethical standards, ensuring data integrity, and maintaining transparency.

The Science of Fearless Decision-Making

December 17, 2024

Evidence-based decision-making involves data selection, awareness of biases, and an understanding of tools and mathematical principles. To improve our decision-making capabilities, we need to be aware of the biases and thinking traps that can lead to poor judgment. In this course, decision-makers will learn how to balance information collection, risk assessment, decisiveness, and stakeholder expectations.

CPABC
Nexus Days

Register Now for PD Nexus: Business and Innovation Insights

Join us at the Vancouver Convention Centre on December 5, 2024, for CPABC's in-person Business and Innovation Insights PD Nexus conference! You'll have the opportunity to engage with industry leaders and network with like-minded professionals who are committed to driving innovation within their organizations.

This year's theme, "Resilience and Reinvention," will equip you with the tools and insights needed to stay ahead in today's fast-paced world. The agenda features keynote presentations on the economy and generative AI, as well as interactive break-out sessions on a variety of technology and leadership topics, including "Building a Strong Accounting Tech Stack," "Leading Complex Teams," and "Maintaining Engagement in an Increasingly Remote World."

Don't miss this opportunity to learn from our expert speakers, share experiences with your peers, and gain actionable strategies that will help you reinvent your approach to innovation. And be sure to register early, as this event has been known to sell out!



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ANNOUNCEMENTS AND ACCOLADES

Kudos!



Shelley Brown, FCPA, FCA, CM, was recently appointed to the board of directors for Sherritt International Corp. in Toronto. Shelley holds an ICD.D designation from the Institute of Corporate Directors and has served in governance roles for numerous organizations across Canada over the past 30 years.



Ray Walia, FCPA, FCMA, co-founder and CEO of Launch Academy and co-founder of the Traction conference, was recently inducted into the BC Innovators Hall of Fame. Ray was recognized for his work in supporting thousands of entrepreneurs in BC and growing the province's tech community.

CPAS IN THE COMMUNITY

Giving Back: CPAs Making a Difference

This summer, CPABC members, candidates, and students participated in a number of events in support of charitable causes in their communities:

- **Vancouver park cleanups** – The CPABC Vancouver Chapter organized cleanup events at David Lam Park and Vanier Park on June 29 and August 11, respectively. In total, the volunteers collected nearly 20 bags of litter.
- **Walk and Chat with the Mayor** – On June 30, members of the CPABC Burnaby/New Westminster Chapter and their guests joined Mayor Mike Hurley at the City of Burnaby's monthly Walk and Chat with the Mayor event. The walk kicked off with a warm-up at the Christine Sinclair Community Centre and concluded with a charity breakfast, served by local firefighters, benefiting the Burnaby Firefighters Charitable Society.
- **Greater Vancouver Food Bank** – On July 13, members of the CPABC Burnaby/New Westminster Chapter volunteered at the Greater Vancouver Food Bank warehouse in Burnaby. During their shift, attendees distributed food, cleaned up the warehouse, and tracked inventory.







1 & 3. Cleaning up local parks. 2. Getting ready for Walk and Chat with the Mayor 4. Helping out at the Greater Vancouver Food Bank.



CALL FOR VOLUNTEERS:

Upcoming chapter events at the Greater Vancouver Food Bank

The Burnaby/New Westminster Chapter will be hosting three more volunteer sessions at the Greater Vancouver Food Bank warehouse in Burnaby on December 7, December 14, and January 11. Space is limited and early registration is encouraged! Details are available at **bccpa.ca/chapter-events**.

CHAPTER SOCIAL EVENTS

CPABC Chapters Show Team Spirit at Local Baseball Games

Two CPABC chapters organized events in Victoria and Vancouver inviting members, candidates, students, and their guests to come out and cheer on their local baseball teams.

On June 30, the CPABC Victoria/Southern Vancouver Island Chapter hosted more than 70 attendees at Wilson's Group Stadium at Royal Athletic Park in Victoria. While the Nanaimo NightOwls defeated the home team Victoria HarbourCats 13-4, the evening still ended on a celebratory note, including a fireworks display to kick off the Canada Day long weekend.

Then, on July 3, the CPABC Vancouver Chapter hosted nearly 100 attendees at Rogers Field at Nat Bailey Stadium in Vancouver, as the Vancouver Canadians took on the Everett AquaSox. Attendees had the opportunity to network with their peers and enjoy a barbecue dinner. It was an exciting game, with the Vancouver Canadians celebrating a 6-2 victory.

Both chapters would like to thank everyone who came out to support these events. For more information on your local chapter activities, visit **bccpa.ca/chapter-events**.

Want to get involved in upcoming events?

If you would like to participate in upcoming CPABC chapter events, be sure to check **bccpa.ca/chapter-events** for community engagement opportunities with your local chapter. And if you have a community event you think CPABC members, candidates, and students may be interested in supporting, contact your local chapter online or email **chapters@bccpa.ca**.

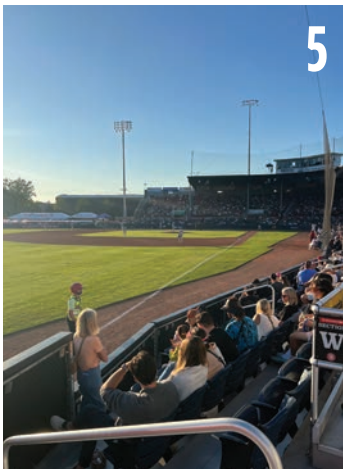


1. Rooting for the home team at Royal Athletic Park in Victoria. 2-5. Enjoying blue skies and cool refreshments at Nat Bailey Stadium in Vancouver.











Have some news to share?

We'd love to hear from you!
Email us at **infocusmag@bccpa.ca**.

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CPABC's Job Search Resources

We offer a number of resources to help CPAs find work and help employers find CPAs:

- **Career development events**
  Topics covered include resumé and cover letter writing, networking techniques, and interview preparation. Visit **bccpa.ca/events** for details.
- **Careers Site**
  Join our official job board for designated CPAs and access exclusive and free online career and volunteer resources. Visit **careers.bccpa.ca**.
- **Employer Network**
  Sign up to receive a 25% discount on all Careers Site job postings. Email **careers@bccpa.ca**.

CPA CHARTERED PROFESSIONAL ACCOUNTANTS BRITISH COLUMBIA

SNAPSHOT:

Mirela Oliveira, CPA

The job: Senior consultant with Deloitte's finance transformation team in Vancouver.

A passion for science: Originally from Brazil, Mirela earned her PhD in chemistry from the Federal University of Rio de Janeiro in 2016, while working as a researcher and project manager in the oil and gas industry. "Science is my passion. It provides a foundation for solving a wide range of problems."

A new life in Canada: In 2017, she and her family immigrated to Vancouver due to political unrest in Brazil. "We left with seven pieces of luggage and a lot of dreams."

From science to the CPA: Mirela's previous project management experience inspired her decision to pivot to finance. "I wanted to gain a deeper understanding of business to complement my career and hone my skills."

Finding a perfect fit: In 2022, she transitioned from Deloitte's audit team to its finance transformation team. "I wanted to support clients from a different perspective and draw on my background as a researcher to bring value to them."

What drives her: Family. "I prioritize quality time with them, whether we're enjoying outdoor activities or simply staying at home together."

Learn more about Mirela at **bccpa.ca/newsroom**.



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