CPABC

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MAY/JUNE 2016

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CPABC INFOCUS

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Notes from the Chair

By Olin Anton, FCPA, FCA

It's hard for me to believe, but my tenure as chair of the CPABC board is almost at an end. Serving as your chair during such a formative time for our profession has been an incredibly rewarding experience. It has been a privilege and a pleasure.

Over the past year, we've celebrated many achievements and milestones in *CPABC in Focus*, but for me, the highlights have been those occasions where I've had an opportunity to meet with members, students, and candidates and hear what you think about how we're doing, both in terms of protecting our profession's legacy and building its future.

Looking to the *near* future, we have some big events coming up, including the CPABC Pacific Summit in Whistler. The three-day event (May 11-13) features exciting keynote speakers, several opportunities to network with peers, a trade show exhibition, and a number of PD sessions led by industry experts (among the instructors is Isabelle St-Jean, author of the Health and Wellness article on pages 30-32 of this magazine). May also heralds the first-ever convocation ceremony for those who have successfully passed the CFE. The event, which takes place May 21 at the Vancouver Convention Centre, will also recognize the achievement of a number of legacy CGA students.

Another historic first for the profession is coming up this summer: CPABC's first annual general meeting, which will be held in Kamloops on July 13. At the AGM, I will be passing the torch to my colleague David Hallinan, FCPA, FCMA, who will become the new board chair. I wish him all the best in this role. Working with the board this past year has been an absolute delight, and I know David is more than capable of leading us for the next year as we continue to move the profession forward.

As I wrap up my tenure, I'm also entering a new phase of life professionally. For the past year, I have been planning my retirement from public practice at Deloitte LLP. This issue of *CPABC in Focus* looks at retirement from several angles, and asks what it means to be prepared for this transition financially and psychologically. I'm sure it's a topic that will resonate with many of you. It always seems like there's so much time to do things, but let me assure you, the day does rush up rather quickly, so some advance preparation is needed!

In this, my final editorial as your board chair, I would like to thank the CPABC executive and staff, and my colleagues on the board who supported me, and the profession, over the past year. You, as CPABC members, students, and candidates, are well served by this entire group of outstanding professionals. It has been an exceptional time, and I can't wait to see where we go from here.

Over to you (*soon*) Dave!



Olin Anton, FCPA, FCA
CPABC Chair



Speaking to members in Prince George during the 2015 Member Engagement Tour. Photo by Jayson Hencheroff of Focal Point Studios.

Sponsorships & Events

Over the past two months, CPABC sponsored and/or attended a number of industry and on-campus events promoting the profession. Industry sponsorships included CPABC's co-presenting sponsorship of a presentation by Michael Porter, renowned corporate strategist, on the logistics of transitioning to a low-carbon economy (see facing page); the event, held on March 3, was co-hosted by the Greater Vancouver Board of Trade (GVBOT) and GLOBE 2016. CPABC was also the gold sponsor of *Business in Vancouver*'s 2016 Influential Women in Business Awards gala, held on March 8 (facing page), and a supporting sponsor of *Douglas* magazine's 10 to Watch Awards, which were presented on April 6 in Victoria.

Other activities this spring included events with two of the GVBOT's signature programs: Leaders of Tomorrow (March 22) and the Company of Young Professionals (April 20). The first was an accounting success series event that showcased a panel of CPAs sharing lessons in leadership. The second event featured speaker Mia Maki, FCPA, FCMA, who gave tips on innovative thinking and described how to take action on ideas. Later in April, CPABC was a platinum sponsor of the Human Resources Management Association Conference and Tradeshow (April 26-27).

Campus events attended by CPABC's recruitment team in March and April included career fairs and CPA information sessions at universities and colleges throughout the province, including the College of New Caledonia, the College of the Rockies, Kwantlen Polytechnic University, Thompson Rivers University, and the University of the Fraser Valley. The recruitment team also attended a number of events hosted by UBC, including the Business Case Competition and gala (see page 8), the Me Inc. Conference, and an accounting industry night hosted by the UBC Accounting Club.

At the high school level, information sessions were held at Pinetree Secondary, Sir Charles Tupper Secondary, and Walnut Grove Secondary. This spring, CPABC launched the COIN competition, a multiple choice exam for high school students that focuses on introductory accounting concepts. This competition gives students considering a career as a CPA the opportunity to compete, have fun, and win cash prizes. The exam is being held on May 14 at locations throughout BC, and an awards ceremony and luncheon will be held on May 28 to recognize the top 10 writers.

Upcoming events include the CPABC Pacific Summit (May 11-13); the Government Finance Officers Association of BC Conference (June 1-3); the 2016 BC CFO Awards Gala, co-presented by *Business in Vancouver* and CPABC (June 2); and the CPABC Career Connect Showcase (June 15).

For more information on CPABC's sponsorships and events, visit the News, Events & Publications section of **bccpa.ca**.

CPABC Career Connect Showcase: June 15, 2016

On June 15, 2016, CPABC will bring together students, candidates, members, and prospective students to connect with employers at the CPABC Career Connect Showcase. The event will include a networking reception and an exhibitor showcase of some of CPABC's Career Connect employment partners.

If you, or your company, are interested in participating in the Career Connect Showcase, please contact Jerrick Barroso, CPABC's employer relations specialist, at **jbarroso@bccpa.ca**. More information on the Career Connect Employer Program is provided on page 9.

Save the Date – CPABC Annual General Meeting: July 13, 2016

CPABC's inaugural annual general meeting will take place at 4:00 p.m. on Wednesday, July 13, 2016, at the Coast Hotel & Conference Centre, 1250 Rogers Way, Kamloops, BC. Member reception to follow. Stay tuned for more details.



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Transitioning to a Low-Carbon Economy

Economic growth is not the enemy of the environment, it's a necessary partner. That's the message renowned corporate strategist Michael Porter delivered to an audience of more than 1,000 business leaders, government officials, and environmentalists on March 3, during a lecture presentation hosted by GLOBE 2016 and the Greater Vancouver Board of Trade. The director of the Institute for Strategy and Competitiveness at Harvard Business School and the author of 19 books and over 125 articles, Porter is perhaps best known for his "Five Forces" competitive strategy model.

Presenting independent research conducted by Harvard Business School and the Boston Consulting Group, Porter discussed how governments, businesses, and societies need to collaborate to create a win-win environment for unconventional energy and economic growth, while also addressing environmental issues and standards. In discussing how to speed the transition to a low-carbon economy, he also highlighted the opportunity Canada and the US have in terms of the unconventional energy market.

CPABC recognizes that sustainability reporting is an area in which CPAs are becoming increasingly involved, and was a co-presenting sponsor of Porter's presentation. This kind of sponsorship aligns with national efforts, as CPA Canada and Natural Resources Canada have co-sponsored an initiative to help organizations adapt to climate change, which is being managed by the Network for Business Sustainability.

To learn more about the national initiative, visit CPA Canada's website at **cpacanada.ca**—in the Business and Accounting Resources section, you'll find a variety of resources on sustainability, corporate reporting, and more.



L to R: Tim Manning, ICD.D, chair, Greater Vancouver Board of Trade and regional VP, commercial financial services, RBC Royal Bank; Richard Rees, FCPA, FCA, president & CEO, CPABC; Michael Porter, Ph.D., Bishop William Lawrence university professor, the Institute for Strategy and Competitiveness, Harvard Business School; and Iain Black, president & CEO, Greater Vancouver Board of Trade. Photo by Sara Borck Photography.

CPABC Celebrates Influential Women in Business

CPABC was a gold sponsor of *Business in Vancouver*'s 2016 Influential Women in Business Awards, which were presented at a gala held at the Fairmont Waterfront Hotel on March 8. This event celebrated International Women's Day by honouring six outstanding female leaders in BC's business community:

- Karina Briño, president, Mining Association of BC
- Karimah Es Sabar, president and CEO, Centre for Drug Research and Development
- Evi Mustel, principal, Mustel Group
- Michelle Pocky, partner, Fasken Martineau
- Marcia Smith, senior vice-president, sustainability and external affairs, Teck Resources Limited

Also honoured was Eva Kwok, chair and CEO of Amara Holdings, who received a Lifetime Achievement Award. Kwok is one of Canada's most respected business leaders and an authority on Canadian and Asia-Pacific trade. She is also internationally recognized as an advocate for both female leaders in business and increased corporate transparency and governance.



2016 Influential Women in Business honourees (l to r): Marcia Smith, Karina Briño, Eva Kwok, Karimah Es Sabar, Michelle Pocky, and Evi Mustel. Photo courtesy of *Business in Vancouver*.

2016 Business Case Competition

CPABC held the final round of its annual Business Case Competition this past March. The competition gives post-secondary students from across the province an opportunity to develop their case analysis and presentation skills, and to compete, have fun, and earn cash prizes.

The qualifying round of competition took place in February 2016, when more than 30 teams from nine post-secondary campuses in BC competed for a spot in the final round by submitting a video presentation of their case recommendations. The top eight teams were then chosen to participate in the finals, held in Vancouver on March 12, to compete for the top prizes. These teams, each consisting of three or four students, represented the following five post-secondary schools:

- University of British Columbia – Okanagan
- Camosun College
- Kwantlen Polytechnic University
- University of the Fraser Valley
- Trinity Western University

After only three hours of deliberation, the eight teams had to present their strategic recommendations to solve the issue proposed in the case study. They also had to demonstrate the following enabling competencies, which are essential to the CPA program:

- Professional and ethical behaviour,
- Problem-solving and decision-making,
- Communication,
- Self-management, and
- Teamwork and leadership.

In addition to prizes for the top three teams, a special prize for "Strongest Accounting Recommendations" was awarded to Team Answer Consulting from Kwantlen Polytechnic University.

2016 CPABC CASE COMPETITION RESULTS

Place	School	Team	Team Members
1st	UBC Okanagan	Team BAM	Cat Bootle, Michael Bitcon, Brad Curtiss
2nd	Camosun College	Team IN-CREDIT-BLE	Vassili Angelblazer, Bryan Johnson, Dave Hilborn, Tyler Bordeleau
3rd	Kwantlen Polytechnic University	Team Answer Consulting	Scott Kennedy, Keaton Wozniak, Sonya Dolguine

We would like to congratulate all of the participating teams and each of the individual students for making the 2016 CPABC Case Competition one to remember.



Members of UBC Okanagan's three participating teams—Team BAM, Team LAD Consulting, and Team ROOKS—take a moment to pose for a group shot.

CPABC Recruitment – Opportunities for Members to Get Involved

Our membership plays an important role in promoting the profession and recruiting future CPAs. CPABC's recruitment team has several initiatives and events that may be of interest to members who want to volunteer their time to help promote the profession. If you're interested in getting involved, sign up at **bccpa.ca** under Members>Connect>Volunteering with CPABC> CPABC Recruiting Volunteer Opportunities. Members who have expressed an interest will be contacted as events requiring volunteers are planned.



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Career Connect Employer Program Speed Interview Nights

More than 100 keen CPA students, candidates, members, and prospective students gathered at the Fairmont Waterfront Hotel on March 16, 2016, for an opportunity to "speed interview" with hiring managers from CPABC's Career Connect employer partners. For hiring companies, speed interview events provide a quick and easy way to screen a large number of jobseekers in one night. For jobseekers, these events provide the opportunity to submit resumés in person and interview with a variety of potential employers, thus increasing their odds of landing a job. Although most hiring decisions are not made based on these initial meetings alone, the speed interviews serve as a potential primer for follow-up interviews later on.

The following companies participated at the March 16 event (all are members of CPABC's Career Connect Employer Program):

- BC Public Service
- Fernandez Young LLP
- Galloway Botteselle & Company
- MNP
- MOSAIC Homes
- SM Accounting Group
- Steve Nash Fitness World & Sports Club
- TEC The Education Company
- TIO Networks Corp.

Throughout the night, jobseekers had the chance to practise their communication and presentation skills as they moved from table to table to interview with a variety of potential employers. At the same time, employers had the opportunity to not only match jobseekers' skills and experience with available positions, but also to gauge how well these individuals might fit within their corporate cultures.

CPA PREP student Tyler Goulding is proof that CPABC's speed interview events can lead to a job, as he was hired through the process in 2015. At this most recent event, it was his turn to sit on the other side of the table, interviewing applicants for his employer, TEC The Education Company, where he now works as an accountant.

CPABC's speed interview nights are held several times throughout the year, generally in the spring and fall. While they vary in size, the events often attract more than 150 jobseekers, and the number of participating Career Connect employer partners typically ranges from six to 10.

The Career Connect Employer Program is an initiative launched by CPABC's Recruitment & Business Development team. The Program is designed to bridge the hiring needs of BC's leading workplaces with the career development of CPABC's students, candidates, and members. For more information about the Program or to enrol your company as an employer partner, please contact Jerrick Barroso, CPABC's employer relations specialist, at **jbarroso@bccpa.ca**.







Top (l to r): Azadeh Habibollah, CPA PREP student Tyler Goulding, and Elena Krasnov, CPA, CGA—employer reps for TEC The Education Company. Middle (right side): Ivan Lie and Rita Terlicher interview job candidates for Steve Nash Fitness World & Sports Club. Bottom (l to r): Employer reps Leanne Wong, CPA, CMA, and Fred Bantados, CPA, CMA, interview job candidates for TIO Networks Corp.

CPABC Chapters Want You!

Since the launch of the CPABC chapters in September 2014, thousands of members, students, and candidates have connected with peers through chapter-led networking events and social activities, community initiatives, professional development offerings, and mentorship opportunities.

There are 16 chapters across BC, ranging in size from 100 members to as many as 8,000. Whatever the size, each chapter provides a local presence for the profession. Collectively, the chapters enable members, students, and candidates to connect and engage with peers throughout the province.

All CPABC members, students, and candidates are encouraged to get involved with their home chapters.* All are also welcome to attend events held by neighbouring chapters.

Listed below is a sampling of recent chapter events:

- The Burnaby/New Westminster Chapter and CPABC co-hosted a theatre night at the Michael J. Fox Theatre on February 11. More than 50 members and their guests watched a production of Ian Fleming's "Chitty Chitty Bang Bang," performed by local theatre company Align Entertainment.
- The Victoria/Southern Vancouver Island Chapter hosted a Chinese New Year dinner and silent auction at the Don Mee Seafood Restaurant on February 17. More than 60 members and guests attended the festive celebration, which raised funds for an endowment at Camosun College that supports local accounting students.
- The North Shore/Sunshine Coast Chapter held a Canucks Night Out on February 25, with more than 30 members cheering on the home team (and a few cheering on the visiting Ottawa Senators). Spectators were rewarded with a 5-3 win by the Canucks in a close game that saw the lead go back and forth throughout the evening.
- The Surrey/Langley/North Delta Chapter organized a regional bowling tournament on March 12 that was co-hosted by CPABC. The tournament attracted more than 60 players and saw 10 teams compete for the highest score (the trophy-winning team is pictured bottom right).

You'll find a number of upcoming chapter events listed on the chapter blogs and calendars, which can be found on the respective chapter websites. In addition to a diverse lineup of PD courses and student events, watch for the following social networking and community-related events:

- The Burnaby/New Westminster Chapter has two events coming up. For oenophiles, there's a wine-tasting event on May 14 at the Pacific Breeze Winery, dubbed the first "garagiste" (aka urban garage-style) winery in Canada. And on June 5, the Chapter is supporting the 20th Anniversary Run Up for Down Syndrome hosted by the Down Syndrome Research Foundation. The event is being held at SFU's Burnaby Campus.
- In partnership with the Fraser Valley CPA Association, the Fraser Valley and Surrey/Langley/North Delta chapters will be co-hosting a regional golf tournament on June 10 at Newlands Golf & Country Club in Langley.
- The Kamloops/Cariboo Chapter will be hosting a special networking event immediately following the CPABC AGM, which is being held in Kamloops on July 13. Members, students, and candidates are encouraged to attend the AGM and meet CPABC's board members, executive team, and CPABC staff.
- The Okanagan Chapter is hosting its second annual golf tournament on July 21 at the Pinnacle Course at Gallagher's Canyon in Kelowna. Once again, the event will raise funds to support scholarships at Okanagan College and UBC Okanagan.

Many other chapters are organizing events this summer as well, so be sure to check chapter sites at **bccpa.ca/members/cpabc-chapters** for updates.

Want to join a chapter board?

To volunteer at the board level, visit your home chapter's website (all chapter sites are listed at **bccpa.ca/members/cpabc-chapters)**, select the "Get Involved" tab, and send an email expressing your interest to the chapter chair. The 2016/2017 chapter board members and officers will be appointed by CPABC to serve from June 2016 to June 2017.

For more information, you can also contact David Chiang, CPA, CA, CPABC's VP of member services, at **dchiang@bccpa.ca**.



More than 30 members of the North Shore/Sunshine Coast Chapter were in attendance as the Vancouver Canucks took on the Ottawa Senators on February 25.



The winning team at the Surrey/Langley/North Delta Chapter's bowling tournament on March 12 (l to r): Mar Marcelino, CPA, CGA; Samuel Aspirin, CPA, CGA; Emelyn Tugade, CPA, CGA; Josephine Ang, CPA, CGA; Amy Zhu; and Cecilio Ediza, CPA, CGA.

* Members can change their default home chapter through Online Services at **https://services.bccpa.ca**.

Financial Literacy Update

Member appreciation

CPA Canada hosted two member appreciation events in Vancouver and Victoria this March to thank BC members who have contributed to the success of the Community Connect Financial Literacy Program over the past two years. More than 80 members attended the Vancouver session, which was held on March 16 at the Vancouver Club, and another 30 members attended the Victoria session, held at the Marriott Inner Harbour Hotel the following day.

Cairine Wilson, CPA Canada's vice-president of corporate citizenship and the executive responsible for the Financial Literacy Program, spoke about a variety of current initiatives, including a recently published book entitled *The Procrastinator's Guide to Retirement – How you can retire in 10 years*, authored by David Trahair, CPA, CA (Trahair is the author of our cover story in this issue—see page 18). Wilson also spoke about new financial literacy initiatives targeted at young people, those in the workforce, and seniors.

David Chiang, CPA, CA, CPABC's vice-president of member services and emcee of the Victoria event, told volunteers: "It's wonderful to see so many BC members continue to support CPA Canada's financial literacy initiatives and to hear the many stories about sessions held in local communities across BC."

Train-the-trainer

On March 18, CPA Canada and the CPABC Burnaby/New Westminster Chapter co-hosted a regional train-the-trainer event at Hilton Vancouver Metrotown in Burnaby. More than 60 members attended this breakfast session to learn more about the national Community Connect Program. Li Zhang, manager of CPA Canada's Financial Literacy Program, spoke about the various resources that have been developed to support members who are interested in delivering financial literacy sessions in their local communities. This was the second such session co-hosted by the CPABC Burnaby/New Westminster Chapter, and it proved as popular as the first.

To date, more than 1,400 BC members have attended train-the-trainer sessions, and more than 100 sessions have been held across the province at various schools, community centres, and libraries since the initial training program was launched two years ago.

Get involved

To learn more about the Community Connect Financial Literacy Program, visit CPA Canada's website at **cpacanada.ca** and choose the "The CPA Profession">CPA Canada Financial Literacy>Financial literacy education tabs or email **financialliteracy@cpacanada.ca**.



Cairine Wilson, VP of corporate citizenship for CPA Canada, speaks at the Vancouver member appreciation event on March 16.



Li Zhang, manager of CPA Canada's Financial Literacy Program, speaks at the Victoria member appreciation event on March 17.



Nancy Zhao, CPA, CGA, education and recruitment chair for the CPABC Burnaby/New Westminster Chapter, speaks at the Chapter's train-the-trainer event on March 18.

Recognizing Excellence

CPABC's Member Recognition Program had a highly successful inaugural year, showcasing the business acumen and dedicated service of CPA members from across the province. The first roster of honourees—11 new FCPAs and 12 award winners (six for early achievement, four for service to the profession, and two for community service)—were honoured at the inaugural CPABC member recognition dinner on February 17, 2016, where they had a chance to celebrate with colleagues, friends, and family. The new FCPAs were also recognized at the inaugural FCPA dinner, which was held on March 29 (see page 42).

As one awards cycle winds down, we gear up for the next. Nomination forms for the 2016 Member Recognition Program are now posted to **bccpa.ca** in the following categories:

> "Get involved in something you enjoy, even in the smallest capacity. The biggest impediment is often just starting. There are so many opportunities to be involved in different organizations. It will enrich you personally and professionally."
>
> *Saskia Muller, CPA, CGA*
> *2015 Early Achievement Award winner*

- **Early Achievement –** This award celebrates members who've joined the profession within the last 10 years and have already distinguished themselves in their careers through professional achievement and volunteer service, with an emphasis on professional achievement.

- **Community Service –** This award highlights the remarkable commitment and dedication of members to a social cause or their recent/present support of one or more not-for-profit or charitable organizations. The award is designed for those who have played a key role in implementing new initiatives and/or improving an organization's model and practice, thereby making a strong, positive impact.



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- **Service to the Profession –** This award recognizes members' dedication, commitment, and outstanding contributions to the CPA profession. The award is designed for those who have been actively involved as unpaid volunteers (e.g., on committees, chapters, and/or task forces), and who have demonstrated outstanding leadership and dedication.

- **Fellowship –** Fellowship in the profession recognizes members who have demonstrated outstanding leadership and exceptional performance in *at least two* of the following three categories: 1) their volunteer services to the profession; 2) their careers; and 3) their volunteer contributions to professional, community, and/or charitable organizations.

- **Lifetime Achievement –** CPABC's highest accolade recognizes FCPAs who, after receiving their fellowship designation, have continued to exemplify extraordinary leadership and achievement in a broad range of areas. This award will only be given out when suitable candidates are nominated, as detwermined by the CPABC board.

If you know a CPA who merits recognition, please note that the member recognition committees will be accepting nominations until September 15, 2016. Please visit **bccpa.ca** to view detailed criteria and nomination package examples online.

"I used to think that volunteering did not make a big impact in my community. However, when you combine your efforts with those of others who are willing to work hard to get the job done, great things can be accomplished."

David Turchen, CPA, CA, CPA (WA)
2015 Community Service Award winner

"Success is knowing that you have made a difference and added value to your community, profession, and workplace. It's about providing leadership in finding common ground. The most fulfilling experience is seeing those around you who you have mentored mature and succeed in their own right to become successful leaders."

Bert Miles, FCPA, FCMA
2015 Fellowship inductee

Young Professionals Forum Hosts Executive Breakfast Series

CPABC's Young Professionals Forum (YPF) hosted an executive breakfast event at the Vancouver Club on February 19, 2016, at which Olin Anton, FCPA, FCA, chair of the CPABC board, was the keynote speaker. More than 45 YPF members attended this event to hear Anton discuss leadership in the context of a services firm and share some of his personal career experiences as a partner with Deloitte.

This event was part of the YPF's executive breakfast series. Upcoming events will feature executives from various industry sectors in BC, including the professional sports, high tech, and not-for-profit sectors.

If you're interested in joining the YPF, visit the Member Forums page at **bccpa.ca/members/connect/member-forums** or contact David Chiang, CPA, CA, CPABC's VP of member services, at **dchiang@bccpa.ca**.



L to R: Edward Ho, CPA, CA, chair of the YPF, with Olin Anton, FCPA, FCA.

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Annual Dues for 2016-2017 – Members, Students, and Candidates

The deadline for 2016-2017 dues payments was April 1, 2016. If you have not yet paid your dues, please note the following important dates:

	For members	For students and candidates
June 1, 2016	An administration fee of $150 (plus GST) will be applied for unpaid dues.	An administration fee of $150 (plus GST) will be applied for unpaid dues.
July 4, 2016	CPABC membership will be suspended if dues are still unpaid.	Students and candidates will be withdrawn from the program if dues are still unpaid.
August 3, 2016	CPABC membership will be cancelled if dues are still unpaid.	

There are three ways to pay your dues:

1. Through CPABC's secure Online Services website at **https://services.bccpa.ca**;
2. Through online banking at BMO, CIBC, HSBC, RBC, Scotiabank, or TD; or
3. By mail to:
   Chartered Professional Accountants of British Columbia
   800 – 555 West Hastings Street
   Vancouver, BC V6B 4N6

The 2016-2017 annual dues renewal notices are available on CPABC's Online Services website at **https://services.bccpa.ca**, where you can view and print your notice.

If you have any questions about your dues, please send your inquiry by email to **finance@bccpa.ca**.

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Change to Practical Experience Requirements for CPA Candidates

Effective immediately, CPA candidates who elected to follow the CA legacy Practical Experience Requirements (PER) are no longer required to complete the "100 Tax Hours" that formed part of their minimum practical experience requirements.

Therefore, CPA candidates who have not yet begun acquiring these chargeable Tax Hours or who are in the process of acquiring them, no longer need to fulfil this requirement. CPA candidates are those individuals who will write or have written the new Common Final Exam (CFE).

It should be noted that the profession's minimum practical experience requirements for certification may differ from the minimum practical experience requirements required to enter a public accounting licensed pathway. This particular change removes the 100 Tax Hours reporting requirement from both our CPA certification and licensed pathways for CPA candidates; however, it does not remove the other chargeable-hour requirements expected of our various licensed pathways.

National initiative

The removal of the 100 Tax Hours requirement for CPA certification follows a national recommendation approved last year when it was removed from the public accounting licensing requirements. In support of its removal, it was recognized that the new CPA education program requires all CPA candidates following a pre-approved program within public accounting to complete the Tax elective module.

Legacy CA candidates

This change is **not** applicable to legacy CA candidates. Legacy CA candidates did not get the additional depth covered in the CPA Tax elective and, therefore, must still complete the 100 Tax Hours requirement in the legacy CA experience requirements and report these hours in the CA PER.

For more information on practical experience requirements, contact: **cpabcper@bccpa.ca**.

Student & Candidate Resources



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CPA Prerequisite Education Program (PREP)

2016 Semester Two

Core Modules:

Modules 5.2 (Intermediate Financial Reporting 2); 6 (Corporate Finance); and 8 (Taxation):

- *Exams – May 14-15*

Non-Core Modules:

- *Exams – May 14-15*

2016 Semester Three

Core Modules:

Modules 5.1 (Intermediate Financial Reporting 1); 5.3 (Adv. Financial Reporting); 7 (Audit and Assurance); and 9 (Intermediate Management Accounting):

- *Registration deadline – May 19*
- *Module start – May 29*

Non-Core Modules:

- *Registration deadline – June 9*

Summary schedule at **goCPAbc.ca**.

CPA Professional Education Program (PEP)

Spring 2016 term – key dates

Core Modules 1 & 2; Performance Management, Assurance, Finance, and Tax elective modules:

- *Withdrawal deadline – June 3*
- *Exams:*
  - > *Core Mod 1, Perf. Mgmt, and Assurance – July 7*
  - > *Core Mod 2, Finance, and Tax – July 8*

Capstone 1:

- *Module start – May 14*
- *Withdrawal deadline – June 10*
- *Panel presentations – July 9-12; re-presentations – July 14*

Summer 2016 term – key dates

Core Module 2; Performance Management, Assurance, Finance, and Tax elective modules; Capstone 2:

- *Registration period – April 18-May 30*

Summary schedule at **cpawsb.ca**.

CPAEF Scholarships and Bursaries



The Chartered Professional Accountants' Education Foundation of British Columbia (CPAEF) offers scholarships and/or bursaries to students and members in the following categories:

Students attending post-secondary institutions (university or college)

Students can apply for these scholarships and bursaries by contacting their school's registrar and/or financial aid office.

The CPAEF also awards scholarships to students at nine post-secondary institutions that do not have named scholarships or bursaries. An application form for these scholarships can be downloaded directly from the CPAEF website at **bccpa.ca/cpaef** under the "Helping Students" tab. The deadline for submitting an application is May 31.

Students enrolled in the CPA PREP and CPA PEP

The CPAEF also offers bursaries to students in the CPA Pre-Requisite Education Program (PREP) and the CPA Professional Education Program (PEP). Students in PREP can apply for a bursary if they have completed and passed at least two courses offered by the CPA Western School of Business (CPAWSB) in the preceding year. CPA PEP students can apply for a bursary once they are registered in CPAWSB Core Module 1 or the MPAcc program at the University of Saskatchewan. These bursaries are based on financial need and open to CPABC students only.

In addition, there are a number of named bursaries for students in PREP or PEP who need financial assistance to purchase computer equipment, and/or who are single parents (or raised by a single parent) or recent immigrants.

Applications for these bursaries can be downloaded directly from the CPAEF website at **bccpa.ca/cpaef**. The deadline for this application is August 15.

Members accepted into MBA programs

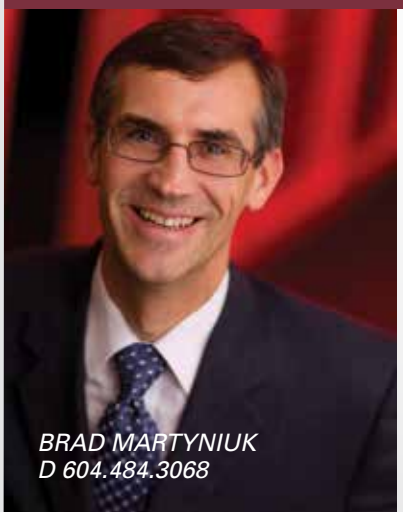
CPABC members who have been accepted into a master of business administration (MBA) program at a recognized university can apply for the CPABC MBA Bursary, which is worth up to $2,000. The deadline for this application is June 30.

More information available

A listing of available scholarships and bursaries can be found on the CPAEF website at **bccpa.ca/cpaef**.

To find out more about these awards or if you would like to donate to the CPAEF to support these programs, please contact David Chiang, CPA, CA, vice-president of member services, at **dchiang@bccpa.ca**.

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Are You Prepared for Retirement?

By David Trahair, CPA, CA



David Trahair is a national bestselling author, *CPA Magazine* columnist, and speaker whose latest book, *The Procrastinator's Guide to Retirement*, was published by CPA Canada in 2015. He teaches customized personal finance courses for a number of provincial CPA bodies, including CPABC, and will be teaching two courses for our PD program this July (see sidebar on page 21).

In this article, geared at members who are within 10 years of retirement, Trahair explores some of the mixed messaging about retirement readiness and outlines a five-step plan for success. More information, including several free retirement-planning spreadsheets, is available on his website at **trahair.com**.

There have been many stories in the media stating that Canadians are in dire straits when it comes to their retirement savings. This view is generally supported by the investment industry. Then along comes the odd study that concludes most of us are doing just fine—thank you very much. It's no wonder many Canadians are confused about their retirement readiness.

Let's start with the scary stuff. According to Statistics Canada, fewer than six million tax filers contributed to an RRSP in 2014—that's only 23% of those who were eligible to make an RRSP contribution. What's more: For those who made contributions in 2014, the median contribution was only $3,000.[1] Overall, Canadians' total RRSP contributions in 2014 were $38.6 billion,[2] which sounds substantial, until you consider that the total RRSP room available at the end of that year was $951.1 billion.[3] It's clear that most Canadians are not contributing anywhere near the maximum they could be.

From scary stuff to… unexpected stuff. In 2014, the consulting firm McKinsey & Company published a report entitled *Building on Canada's Strong Retirement Readiness*. The analysis is based on an update to initial retirement readiness research conducted by the firm in 2011, which analyzed the circumstances of approximately 9,000 working households and 3,000 retired households. McKinsey's "Retirement Readiness Index" (RRI) measures a household's ability to maintain its standard of living in retirement, taking into account the four main sources of retirement income:

- Universal retirement income programs (Old Age Security/Guaranteed Income Supplement);
- Publicly funded pension plans (Canada Pension Plan/Quebec Pension Plan);
- Privately funded retirement plans (employer retirement plans, RRSPs); and
- Non-registered private savings (TFSAs, regular investment accounts).

According to McKinsey's 2014 analysis, 83% of the households surveyed scored above the minimum threshold on RRI and, therefore, are adequately prepared for retirement. The report also makes the observation that a household with two income earners and a constant combined annual income of $40,000 or less throughout their working lives would be able to maintain their standard of living in retirement based solely on income from OAS/GIS and the CPP/QPP.

So, are we grossly underprepared, as much of the data suggests, or have we positioned ourselves quite comfortably for an enjoyable retirement?

[1] Statistics Canada, "Registered retirement savings plan contributions, 2014," *The Daily*, February 26, 2016.

[2] Ibid.

[3] Statistics Canada, CANSIM Table 111-0040, accessed March 14, 2016.

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Beware superficial data

I recently met with my banker to discuss my business and personal finances. While this meeting was probably triggered by the fact that I'd just made an RRSP contribution, I have several financial products with this bank, including a small business chequing account, a personal chequing account, a corporate chequing account, and a credit card—so I'm a "valued" customer. After a quick net worth review and an offer to reduce the interest rate on my business line of credit, the conversation turned to my retirement planning.

One of the tools used was a retirement projector that had been prepped before my arrival for the meeting. According to this projector, I'll need to save $2.9 million before I can retire. Sure, I'd like to retire well, but there is no way I'm ever going to amass anything close to that figure!

Thankfully, I know that this calculation is meaningless, because it's based on incomplete information. But the problem for many, if not most, Canadians when it comes to retirement planning is that they don't have all the information, and without knowing how to analyze the details behind massive estimates like the one I received, they assume the figures must be right.

Member benefits and opportunities

CPABC and CPA Canada have a number of resources for members who are retired or contemplating retirement. Whether you're looking to start a second career, get more involved in board work and volunteerism, or travel, there's something for you.

- **Benefits:** Did you know that CPABC now offers more than 80 member benefits, including savings and affinity programs? At **bccpa.ca/members/member-benefits**, you'll find discounts on everything from hotel accommodations to home repair. These provincial benefits complement a similar member savings discount program offered by CPA Canada (**cpacanada.ca/en/members-area/members-savings-program**).
- **Networking:** Want to stay connected with your local business community? On CPABC's benefits page (see above), you'll find a link to various business associations, including local chambers of commerce and boards of trade that have waived their initiation fees for CPABC members. You can also stay connected with peers by attending events hosted by CPABC's chapters, including dedicated game days (e.g., BC Lions). Look under "Recreation" on the benefits page, or check out the chapter blogs at **bccpa.ca/members/cpabc-chapters**.
- **Working:** For many CPAs, retirement doesn't mean a life without work. If you're interested in taking on a part-time position or seasonal work, consider posting your resumé using the CPABC Careers site (the official job board of CPABC) at **careers.bccpa.ca**.
- **Volunteering:** Share your skills and experience by volunteering as a CPA mentor and providing guidance to aspiring CPAs. Or become a Community Connect volunteer and access free resources to deliver financial literacy sessions at local schools, community organizations, and libraries. During tax season, join one of many volunteer tax clinics in your area and help prepare tax returns for low-income taxpayers and taxpayers with disabilities. Find out more at **careers.bccpa.ca**. The Careers site also lists volunteer board positions for various community groups that are looking for experienced professionals to oversee their finances.

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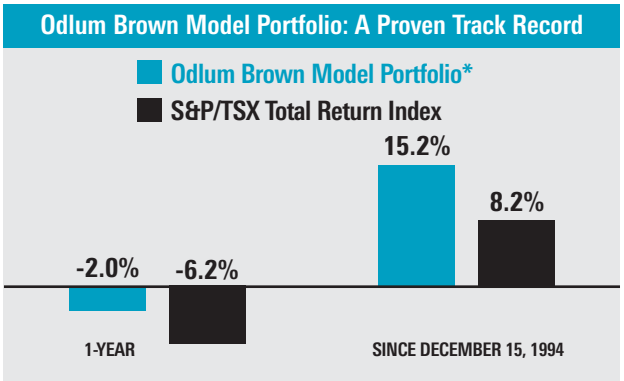
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*Compound annual returns are from inception December 15, 1994 to March 15, 2016. The Odlum Brown Model Portfolio was established by the Research Department in December 1994, with a hypothetical investment of $250,000. Trades are made using the closing price on the day a change is announced. These are gross figures before fees. Past performance is not indicative of future performance. Member-Canadian Investor Protection Fund.

My sense is that perfunctory analyses like these are scaring people to the point where they feel the situation is hopeless and simply give up trying to actively save for retirement. Does that mean we should all take comfort in the rosy picture painted by the McKinsey report? No.

There's no doubt that figuring out how much you'll need to fund your retirement is not easy. That's because there are many unknowns, like how long you're going to live, what the inflation rate is going to be, how well your investments will perform, and how much you'll actually spend during retirement. But relying on general statistics, surveys, rules of thumb, or rough calculations—whether pessimistic or optimistic—is no way to plan for your own retirement. That's because each of our personal financial situations is as individual as our fingerprints.

Knowledge is power

You won't be able to plan effectively for your retirement if you don't start by looking carefully at your financial picture as it is now. That's why tracking your spending is step one of the five-step plan I've outlined in *The Procrastinator's Guide to Retirement*. Here's an outline of the plan:

1. Track your current cash outflows

Expense tracking is vital, and yet hardly anyone does it because it's not required—there's no government agency mandating us to keep track of our personal spending. But it is the key to getting ahead financially. Think of a business—would anyone dare to project what a business was going to make in the future without first performing a detailed analysis of its historical financial records? The approach to personal financial projections should be no different.

2. Analyze your current cash outflows to project future cash outflows

Once you know what your family is currently spending, it's relatively simple to project your future spending. For example, which of your current expenses will automatically decline or disappear at retirement? Well, income taxes will probably decline correlative to a decline in your income. You'll no longer have to pay CPP or EI premiums. You'll probably stop any pension plan and RRSP contributions, and you'll also see a drop in work-related expenses like business clothing and transportation costs.

However, many of your other cash outflows will have their own timeline independent of when you retire. These include some of the largest expenses you'll ever have, like the cost of raising kids and sending them to university; housing costs like your mortgage, property taxes, repairs and maintenance, and utilities; car loans or leases; and vacations, among other things. What's more, some costs, such as medical and dental expenses, will likely increase after retirement. These also have to be factored into the equation.

3. Work hard to eliminate expenses before retirement

The whole key to retiring well is to eliminate as many expenses as you can as soon as possible so you'll actually have some excess cash to invest. Cut whatever you can—pay off consumer debt before anything else to stop excessive interest charges from holding you back, and reduce your cash spending by tracking and analyzing where you might be wasting money (I use an app called "CashTrails" on my phone—it's one of several apps available, but there's also the old-fashioned way: pen and paper). Consider reducing discretionary spending like clothing and vacation costs. If you can afford it, "retire"

Financial Literacy Book Launch

David Trahair, CPA, CA, was in Surrey on February 22, 2016, to support the launch of his latest book, *The Procrastinator's Guide to Retirement – How you can retire in 10 years or less*, published by CPA Canada. The event, which took place at the Fleetwood Library, was co-hosted by CPA Canada and the Credit Counselling Society.

More than 30 members of the general public came out to listen as Trahair provided helpful strategies, tips, and hands-on tools to guide them through the often-confusing process of effective retirement planning.

CPABC has a limited supply of Trahair's book available, so if you're contemplating retirement and would like to receive a complimentary copy, email David Chiang, CPA, CA, CPABC's vice-president of member services, at **dchiang@bccpa.ca**. The first 35 members who write in will get a free copy. The book can also be ordered through the CPAstore at castore.ca and is available at major retailers like Indigo/Chapters and Costco.



Author David Trahair, CPA, CA, discusses retirement strategies at his book launch in Surrey.

your mortgage as soon as possible. Think hard about your car strategy—once the loan is paid off, how many payment-free years will you likely have before you have to buy a new one?

Ultimately, some of this comes down to luck, like the timing of a son or daughter finishing university. If you help fund the majority of their education costs, you'll probably experience a significant cash surplus in the year after graduation as these outflows are reduced.

4. Invest all excess cash in your RRSPs

For the majority of Canadians—but especially those who start saving for retirement later in life—RRSPs are the best bet. That's because most people are in a medium-to-high tax bracket when they make their contributions, and in a lower one when they make their withdrawals (i.e., during retirement). In this scenario, RRSPs beat TFSAs pretty handily.

The key to building retirement savings quickly is to invest any excess cash in your RRSPs, rather than spending it. And don't forget that spousal RRSPs should still be considered if one spouse is in a higher tax bracket than the other to balance out the size of the RRSPs at retirement.

5. Reinvest all tax refunds into your RRSPs

Building on step four, the golden opportunity with RRSPs is to reinvest any tax refunds back into your RRSPs. And yet many people are not doing this—instead, they're simply spending the refunds. That is like "un-saving" for retirement—getting a tax refund now, at the expense of paying tax on the withdrawal during retirement.

Efforts now will pay dividends later

Setting aside enough money for a comfortable retirement is not easy. It's not even easy to calculate the amount you'll need to save. But one thing is certain: If you're within 10 years of retirement and you don't start to put time and effort into this vital part of your financial planning, digging below the surface to understand what your numbers mean, you won't be able to afford to live the retirement of your dreams. ■

Planning for your retirement? Helping clients plan for theirs? Check out these upcoming PD offerings:

Personal Investing – June 15
9am-5pm, Hyatt Regency, Vancouver
Instructor: Kurt Rosentreter, CPA, CA, CFP, CLU, TEP, FMA, CIMA, FCSI, CIM

Designing Your Retirement Income – June 16
9am-5pm, Hyatt Regency, Vancouver
Instructor: Kurt Rosentreter, CPA, CA, CFP, CLU, TEP, FMA, CIMA, FCSI, CIM

Building Your Own Retirement Pension with Annuities – June 17
9am-12:30pm, Hyatt Regency, Vancouver
Instructor: Kurt Rosentreter, CPA, CA, CFP, CLU, TEP, FMA, CIMA, FCSI, CIM

Wealth Management Strategies for Affluent Canadians – June 17
1:30-5:30pm, Hyatt Regency, Vancouver
Instructor: Kurt Rosentreter, CPA, CA, CFP, CLU, TEP, FMA, CIMA, FCSI, CIM

Estate and Financial Planning for Private Business Owners – June 21
9am-5pm, Vancouver Convention Centre (West), Vancouver
Instructors: Stephen Cheng; Dan Eisner, CPA, CA; Jon McKinney, CPA, CA, CIM; Farzin Remtulla, CPA, CA; Jack Shaffer, CFP, CLU, ChFC; and David Thompson, B.Comm., LLB. **Moderator:** Mark A. Zlotnik, CPA, CA

The Procrastinator's Guide to Retirement – July 11
Participants will receive a copy of the instructor's book *The Procrastinator's Guide to Retirement.*
9am-5pm, Four Seasons Hotel, Vancouver
Instructor: David Trahair, CPA, CA

The Simplest Personal Finance Strategy Ever: Cash Cows, Pigs and Jackpots – July 12
Participants will receive a copy of the instructor's book *Cash Cows, Pigs and Jackpots.*
9am-5pm, Four Seasons Hotel, Vancouver
Instructor: David Trahair, CPA, CA

Visit the CPABC PD website at **pd.bccpa.ca** for detailed course descriptions.

Coming this fall: The Estate Planning Conference Day

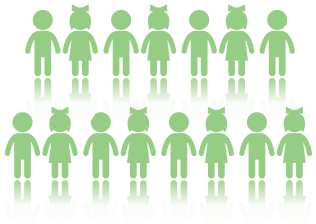
The Estate Planning Conference Day is a joint conference between the Society of Trust and Estate Practitioners (STEP) Vancouver and CPABC. Focused on relevant and timely issues, it will provide participants with up-to-date, practical, and leading-edge estate-planning information. Look for details this summer.
October 27, 2016 – Vancouver

A Look at Canada's Retirement



≥65

# of people aged ≥65 surpassed # aged 0-14 in July 2015



0–14

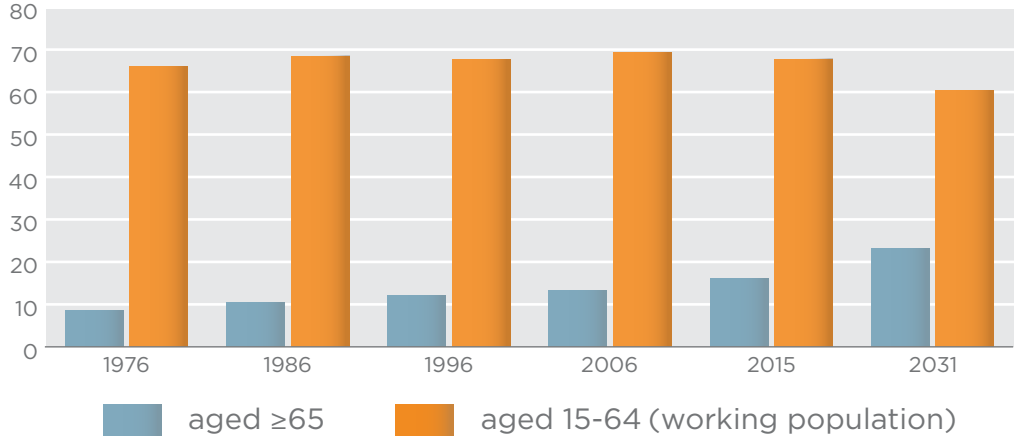
FORECAST

It's estimated that

23%

of the population will be 65 or older by 2031

PERCENTAGE OF POPULATION



There were approximately

250,000

new retirees in 2015



FORECAST

It is estimated that in just a few years, the annual number of new retirees will be

400,000

Average retirement age in 2015:



64.1



62.7

Average life expectancy:
(at age 65 in 2013)



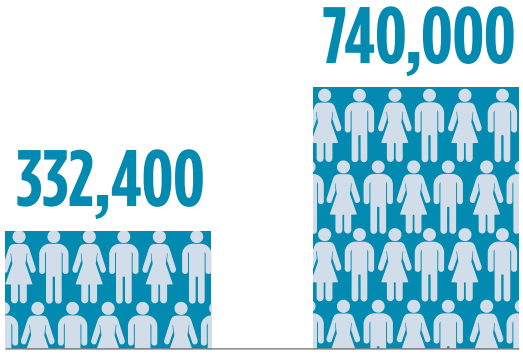
86



88

Picture

of people aged ≥65 still in labour force more than doubled between 2006 and 2015



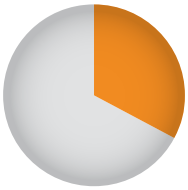
Labour force participation rate of people aged ≥65:



13.4% in 2015



FORECAST



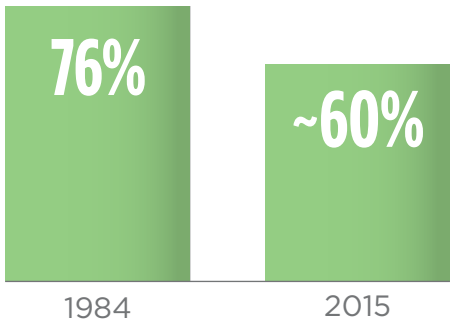
33% in 2031

Close to 1/2 of workers aged 55 to 64 do not have accrued employer pension benefits...



...and fewer than 1/5 of these workers have enough savings to supplement government-supported retirement income for at least five years

% of a single senior's median income from Old Age Security and Guaranteed Income Supplement has declined over the past 30 years



All data refers to Canada. Sources:

Statistics Canada:

- *CANSIM Tables 051-0001, 052-0005, 282-0051, and 282-0002.*
- *"Canada's population estimates: Age and sex, July 1, 2015," September 29, 2015.*
- *"Projected trends to 2031 for the Canadian labour force,"* Canadian Economic Observer, *August 2011.*

Office of the Superintendent of Financial Institutions, Actuarial Study, *April 2014*

David Parkinson, Janet McFarland, and Barrie McKenna, "Boom, Bust and Economic Headaches," Globe and Mail, *November 8, 2015.*

Richard Shillington, An Analysis of the Economic Circumstances of Canadian Seniors, *Broadbent Institute, February 2016.*

Employment and Social Development Canada, "Canada Pension Plan and Old Age Security benefit amounts effective January 1, 2016," news release, December 30, 2015.

Your FAQs about Retirement

From CPABC's Professional Advisory Services Team

Among its myriad responsibilities, CPABC's professional advisory services team handles numerous calls and email enquiries each year, both from the public and from the membership. The team consults with members on a daily basis, fielding questions about resources, practice management, ethical issues, standards implementation, and more. Here, they answer some of the most frequently asked questions related to retirement—an increasingly popular topic of discussion.





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1. I've just retired from my job. How do I change my membership status so I can stop paying annual dues?

Retiring from the workforce does not automatically mean that a member would stop paying membership dues. To qualify for a dues reduction, you must meet the criteria for a "Long-Term Member" or "Retired Member."

A Long-Term Member is one who has 40 years of membership and/or who is at least 70 years old as of April 1. There's no income threshold for this category of dues waiver—annual provincial and national dues are both waived.

A Retired Member is one who is at least 55 years old on April 1 and who has an active income less than the indexed threshold for 2016 and all subsequent years. For 2016, the indexed threshold is $29,700 (the income threshold is adjusted annually and is based on individual income, not family/household income). For members who qualify for this waiver, dues are reduced to 10% of provincial dues (no national dues are charged). Note that you must reapply for the Retired Member dues reduction annually, and if your income ends up exceeding the threshold after you've claimed the reduction, you're required to notify the CPABC Membership department at **members@bccpa.ca** and pay the additional dues owing.

Active income includes gross income from all employment and directorship fees, and/or net income from self-employment. Active income does not include employment insurance benefits, pension income, investment income, support payments, or disability income; however, all other sources of income are considered "active." CPABC reserves the right to request proof of income.

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2. If I qualify for a reduction in my membership dues, do I automatically qualify for an exemption from CPD?

The criteria for a dues waiver and a CPD exemption are not the same; therefore, qualifying for one does not mean you automatically qualify for the other. You have to apply for each separately.

Note that once the CPD exemption is granted, it will remain in effect until you no longer meet the exemption criteria. If your circumstances change such that you no longer meet this criteria, you must advise CPABC's CPD administrator immediately by email at **cpd@bccpa.ca**.

3. I'm a partner in a CPA firm, and I'm planning to retire from public practice soon. I'm thinking of moving into consultancy. Would I have to maintain my public practice licence?

Whether you require licensing will depend on the nature of the professional services you intend to offer as a consultant. If you plan to offer any "public accounting services" or "other regulated services," you would be considered to be in public practice and you'd be required to be licensed and insured accordingly.

"Public accounting services" are defined in CPABC Bylaw 100 as:

a) performing an audit, review, or other assurance engagement governed by standards of professional practice published by CPA Canada or corresponding standards established in a jurisdiction outside Canada, or issuing an auditor's report, a review engagement report, or another assurance report in accordance with such standards;

b) issuing any other certification, declaration, opinion, or report with respect to the application of financial reporting and accounting standards published by CPA Canada or other Canadian standards published by CPA Canada, or corresponding standards established in a jurisdiction outside Canada; and

c) performing a compilation engagement.

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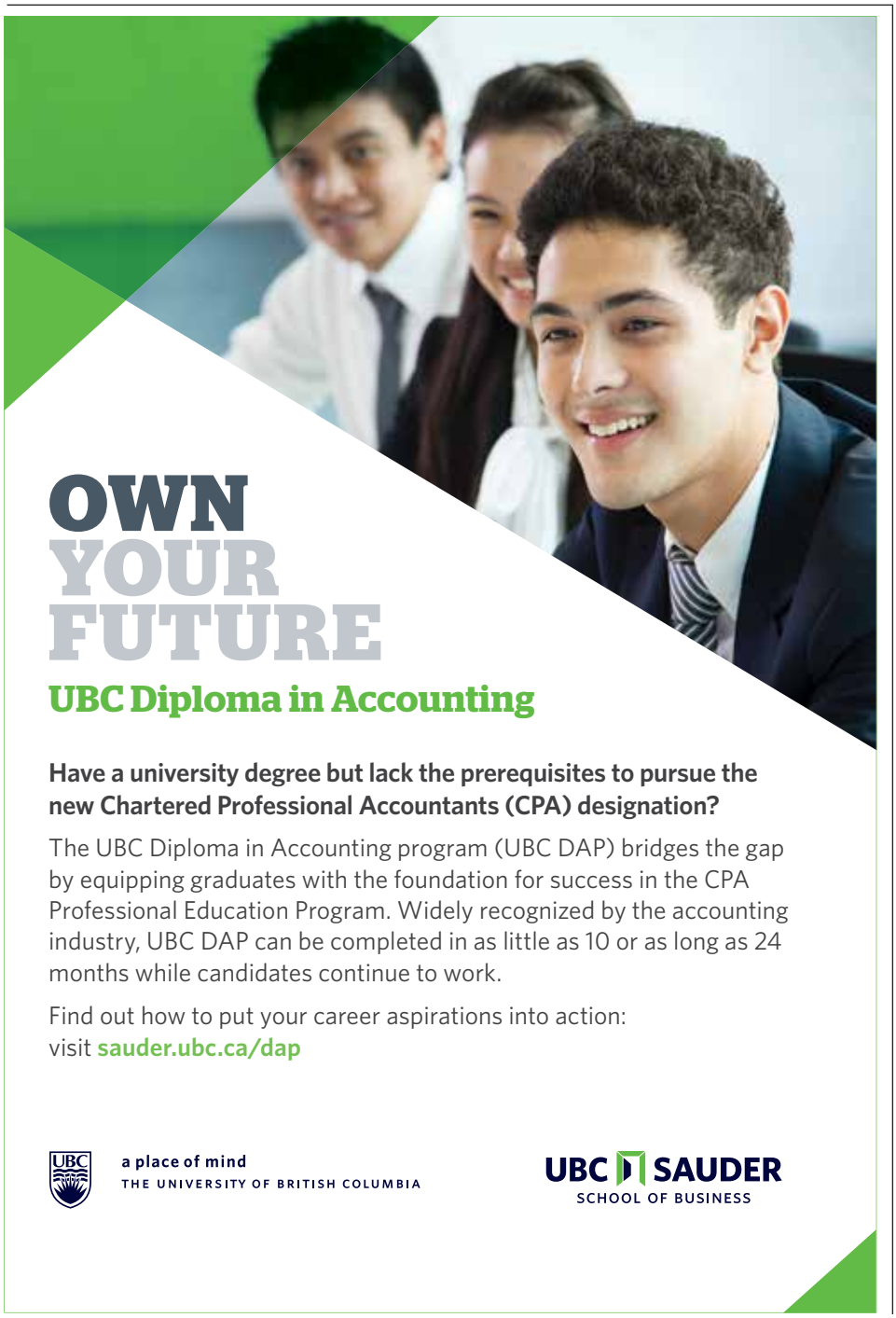
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Members who continue to be engaged in public practice after retirement, whether as employees or owners, will not qualify for a CPD exemption, regardless of their age or income threshold



"Other regulated services" refers to any services not constituting public accounting services that are included in the following, as defined in Bylaw 100:

a) providing an accounting service involving summarization, analysis, advice, counsel, or interpretation, other than an accounting service that is part of but incidental to the provider's primary occupation which is not accounting;

b) providing a forensic accounting, financial investigation, or financial litigation support service;

c) providing advice, counsel, or interpretation with respect to taxation matters;

d) preparing a tax return or other statutory information filing; and

e) any other services described in the regulations.

Note that members who continue to be engaged in public practice after retirement, whether as employees or owners, will not qualify for a CPD exemption, regardless of their age or income threshold.

4. I'll be retiring from my current job soon, and a CPA firm in my community has asked if I'd consider working for them part-time. Would I still qualify for a dues waiver and a CPD exemption if I work part-time?

Working part-time does not automatically preclude you from qualifying for a dues waiver or a CPD exemption. You might qualify for dues waiver but not CPD exemption, for example.

If you've qualified for a Long-Term Member dues waiver (see #1), there's no income threshold. If you've qualified for a Retired Member dues waiver, you would still qualify for this waiver even if you take on part-time work, as long as your active income is less than the indexed threshold at retirement and in all subsequent years after meeting the age criteria.

With regard to the CPD exemption, if you work part-time for a CPA firm, you'll be engaging in "public practice" as defined in the CPABC bylaws, and, therefore, would not qualify for CPD exemption, regardless of the income earned. However, if you work anywhere but a public accounting firm, you might qualify for a CPD exemption, assuming you meet all the other criteria (see #5).

5. I've been retired for a year. Do I still have to do CPD?

If you're a member in retirement who meets all of the following criteria, you are exempt from the minimum CPD requirement:

a) You are at least 55 years of age as of December 31;
b) You do not engage in "public practice" as defined in the CPABC bylaws;
c) You do not serve on the board or governing body of a public company or reporting issuer as contemplated by the Code of Professional Conduct; and
d) Your "gross active income" does not exceed an indexed threshold.

Note that "gross active income" for CPD purposes differs from "active income" for membership dues purposes. Gross active income for CPD purposes is active income and any gross revenues not included in active income that are related to professional activities from self-employment sources, regardless of the business structure used (sole-proprietorship, corporation, etc.). For 2016, the threshold is $29,700.

To claim the CPD exemption for members in retirement, you must file a declaration form that states your eligibility for exemption from the CPD requirements. The declaration form is available online at **https://services.bccpa.ca**.

Once you have submitted this declaration form, you are no longer required to file an annual CPD report. However, if your circumstances change such that you no longer meet the exemption criteria, you will be required to complete CPD in the year in which your circumstances change (and report accordingly). Additionally, you must advise CPABC's CPD administrator of your change in circumstances immediately by email at **cpd@bccpa.ca** for further guidance.

6. What are my professional obligations if I'm exempt from minimum CPD requirements?

Under the Code of Professional Conduct, you must sustain professional competence by staying informed of, and complying with, developments in professional standards in all functions in which you provide professional services or are relied upon because of your calling. This rule applies to all members, even those with an exemption from CPD reporting requirements.



7. Does CPABC have any resources for members who are contemplating retirement?

CPABC's professional development team offers a number of courses to help members plan for retirement, in terms of both financial and psychological/emotional readiness. Visit the PD website at **http://pd.bccpa.ca** for details.

In addition, CPABC welcomes retired members to share their expertise in the profession through volunteer service as committee members, CPA mentors, chapter board members, and more. Information about the different opportunities available is provided on our website at **bccpa.ca** under Members>Connect>Volunteering with CPABC.

8. I've retired from full-time employment and have been asked to serve on several boards. One directorship is pro bono and the others are paid. Are there any risks or requirements I should be aware of?

When volunteering on boards, members must still adhere to Rule 206.2 of the Code of Professional Conduct, which states:

A registrant who, as a member of an entity's audit committee or board of directors, is required to participate in the review or approval, by such committee or board, of the entity's financial statements prepared in accordance with an appropriate financial reporting framework, shall carry out that responsibility with the care and diligence of a competent Chartered Professional Accountant, enhanced by the skills and knowledge derived from the registrant's own career.

In addition, retired members who serve on the board or governing body of a public company or reporting issuer—as described by the Code of Professional Conduct—are not eligible for a CPD exemption.



9. I'm retiring soon and will meet the criteria for both a dues waiver and a CPD exemption in the coming year. I'm planning to become more active with various service groups in my community—is there anything I need to worry about in terms of dues and CPD?

CPABC encourages members to give back to the community, and involvement with service organizations generally will not affect a dues waiver and CPD exemption, as long as members continue to meet the qualifying criteria for both exemptions (see #1 and #5).

Additionally, as long as your activities with service groups do not include public accounting or other regulated services (see #3), then you will not need to be licensed and insured. Bear in mind that the requirement for public practice licensing is not contingent on you charging a fee for your services. For example, if you provide free accounting, tax, or payroll services to local charities, you will still need to be licensed and insured (the only exception being if you provide free tax services under the auspices of the CPABC Volunteer Tax Services Program).

Much to consider

For many CPAs, retirement is now less about slowing down and more about finding the next phase of their careers, whether that means taking on part-time consulting work or a number of directorships, and that trend is expected to continue as more and more baby boomers "retire" in the next 10-20 years. There's a lot to consider when it comes to retirement, but the advisory services team can help. Contact us at **professionaladvisory@bccpa.ca**. ■



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Isabelle St-Jean is a registered social worker, professional certified coach, certified retirement coach, and the author of *Living Forward, Giving Back: A Practical Guide to Fulfillment in Midlife and Beyond.* She leads retirement seminars for professional communities across Canada and provides one-on-one coaching to help pre-retiring professionals successfully navigate the transition to retirement.

About to Retire? Re-Engage Instead

By Isabelle St-Jean, RSW, PCC

Note to readers: *Isabelle St-Jean will be leading a breakout PD session at CPABC's 2016 Pacific Summit (May 11-13). During her seminar, "What's Next: 10 Success Factors to Best Manage Retirement" (May 12), St-Jean will help participants plan for a balanced, meaningful, and purposeful retirement by providing a comprehensive framework, relevant information, and reflection and planning exercises. In this article, she explores the concept of "re-engagement."*

While leading seminars for pre-retiring members of the accounting community over the past few years, I have observed diverse approaches, levels of readiness, and attitudes towards this major work/life transition we still call "retirement." Those in public practice (approximately 20% of CPABC members) often prefer to retire gradually, but accountants in industry or the public sector rarely have this option. Some pre-retiring accountants are eager to explore their lives beyond the workplace by delving into new activities and projects, whereas others worry that their current lack of personal interests or hobbies outside of work could leave them adrift in retirement. Similarly, some accountants are excited about specific post-retirement plans they've made with their spouses, while others are uncomfortable about the prospect of spending more time with their significant others, and don't know how to even broach the subject.

Indeed, there are few opportunities to gain a comprehensive understanding of the stages, lifestyle, and transitional issues of retirement. Lacking this opportunity, most people don't really know how to begin designing a wellness-oriented lifestyle that can also make their hearts sing—the kind of lifestyle I describe as "re-engagement." As opposed to merely retiring, re-engaging means finding a new or renewed purpose that can be added to a balance of leisure, wellness, social activities, and more, and it's a concept that truly resonates with the boomer generation.

Finding a new rhythm... and a new purpose

A gradual easing into retirement typically lends more ease and flow into the process of "re-engaging." When a gradual transition isn't possible, however, preparing and planning become even more important processes to help avoid the disorienting feeling that can result from suddenly having to make good use of about 40 to 50 hours of unstructured time each week.

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I recall a client—a manager who'd recently retired from the public sector—saying of her first year of retirement: "I had to find my own rhythm." What she meant was that she had to first learn to become comfortable slowing down from the hectic pace she'd become accustomed to in her busy work life. Then, once she'd adopted a more mindful pace, conducive to better self-awareness, she was able to thoughtfully develop new routines and habits and get involved in new activities that reflected proactive choices. In other words, she was able to make good use of the new currencies she now had in greater abundance: time and energy.

In the initial stages of retirement, some retirees, understandably, prefer to explore their newfound freedom by travelling extensively, which can provide much entertainment and enjoyment. Over time, however, most eventually realize that they won't be truly fulfilled by living as if on perpetual vacation. That's when the need to deliberately design a balanced lifestyle based on core values and motivators—a purposeful lifestyle—becomes most evident.

The backbone of re-engagement

The backbone of a purposeful and joyful "re-engagement" should include a solid plan for the next one to three years, with flexibility to accommodate opportunities that might present themselves. A truly balanced plan would include a variety of activities, projects, and/or dreams that would provide a combination of: 1) engagement, 2) leisure, and 3) meaning. In fact, according to research, as cited in the book *What Color is Your Parachute – Retirement*,[1] these are the three main dimensions of a happy lifestyle in retirement.

Adding proactivity to these dimensions helps ensure that dreams will be turned into realities, unless something unpredictable, such as a health crisis, gets in the way of actualizing your plans. While leisure activities are the things we do for fun and pleasure, engaging activities are those that require some focus and skill, and may offer an enjoyable challenge. Meaningful activities, such as volunteering for a cause, help us feel that we are part of something greater than ourselves and that we belong to a community of like-minded people. These kinds of activities would also offer protection against social isolation, which is increasingly viewed as a significant health hazard, particularly among seniors.

"Re-engaging with backbone" also means prioritizing physical activities to maintain health and wellness. Having more time in retirement does not mean that you'll be more motivated to take care of yourself. I recall speaking to a semi-retired accountant who said he'd exercised daily while working full-time, but once relieved of his daily routines, was finding it difficult to get to the gym even twice a week. Again, re-engaging with backbone takes planning and proactivity and prioritization. After all (as it's often said by participants in my seminars), "Without our health, we cannot enjoy our retirement."

[1] John E. Nelson, Richard N. Bolles, *What Color is Your Parachute? for Retirement: Planning a Prosperous, Healthy, and Happy Future*, Ten Speed Press: 2010.



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The heart of re-engagement

To avoid painful regrets in the future, it is wise to make plans that also include lifelong dreams. If your bucket list includes travelling to the country of your ancestors, for example, be sure to discuss it with your partner (if you're part of a couple) and make a specific plan that includes action steps and a timeline. Often, couples talk about their "someday" dreams in vague terms, and years go by without them embracing the proactive mindset necessary to reach these heartfelt goals. Commonly, they get sidetracked by various menial daily or short-term tasks, or by the demands of others.

One recurring theme I often hear from accountants in my retirement seminars is that they want to have fun and try things that are completely different from the job tasks that have occupied most of their last 30 or 40 years. Many want to tap into new creative endeavours, like playing a musical instrument, learning a new language, or getting into gardening. Many are eager to give back—mentoring others and/or devoting time to causes that truly matter to them. Many want to spend more time with those they love, particularly their grandchildren, which can be a wonderful source of heart-warming joy at a time of life when family relationships commonly take on more importance.

Attitude matters

Thanks to researchers such as Dr. Becca Levy, an associate professor of epidemiology and psychology at Yale University, we now have a better understanding of the impact of our attitudes and beliefs on our health and well-being. One of the most significant research studies completed by Levy and colleagues showed that seniors who embraced positive beliefs about aging lived 7.5 years longer.[2] Likewise, those with positive mindsets were 44% more likely to fully recover from a bout of disability.[3] Given these results, we are wise to grow our resilience and focus on all of the abilities we still have as the years go by.

Re-engage into the best years of your life

The importance of being well prepared for what could turn out to be the "best years of your life" cannot be overestimated. And it needn't be daunting. Through the range of seminars and courses now available, there are more opportunities for pre-retiring professionals to envision their best future and lay the groundwork for a passionate re-engagement in life after retirement. ■

[2] Judith Graham, "Older People Become What They Think – Study Shows," *New York Times*, December 19, 2012. Citing: "Longevity increased by positive self-perceptions of aging," *Journal of Personality and Social Psychology*, 2002.

[3] Ibid. Citing: "Association Between Positive Age Stereotypes and Recovery From Disability in Older Persons," *Journal of the American Medical Association*, 2012.

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Guthrie Hurd is a manager in the transaction tax services group of Ernst & Young LLP in Toronto, where he specializes in providing Canadian corporate income tax advisory services to clients pursuing the acquisition or sale of a business, and other corporate restructuring transactions.

Addressing Corporate Income Tax Issues in the Due Diligence Process

By Guthrie Hurd, CPA, CA

"Diligence is the mother of good luck…"
– Benjamin Franklin, The Way to Wealth (1758)

Performing appropriate due diligence procedures prior to the acquisition of a business contributes significantly to informed decision-making and investment success. Navigating the corporate income tax implications of an acquisition can complicate the process, however. A considerable amount of tax due diligence may be required in a share purchase transaction, for example, since a purchaser would be acquiring not only a target company's shares, but also its tax history.

What follows is a review of some Canadian corporate income tax issues that commonly arise during the course of a due diligence investigation.

Reasonableness of intercompany management fees

In the context of owner-managed businesses, the payment and deduction of intercompany management fees is a relatively common practice. However, problems can arise on the acquisition of a business that has paid such fees, if the fees are considered unreasonable in the circumstances.

For example, where a parent corporation has paid management services fees to a subsidiary (perhaps to use up non-capital losses of the subsidiary and shelter income from tax) but no management services have, in fact, been performed, the Canada Revenue Agency (CRA) has, in some cases, disallowed the deduction of such fees as unreasonable pursuant to Section 67 of the *Income Tax Act* (the Act), resulting in additional taxes payable to the parent corporation. Where management fees are disallowed, the CRA will generally allow the recipient of the fees an offsetting deduction to prevent double taxation. Note, however, that this is an administrative position only. In the event of a CRA reassessment, abusive intercompany management fee schemes could trigger a punitive assessment of income in both companies, with the CRA disallowing the original deduction and choosing not to apply the offsetting deduction to the recipient, resulting in double taxation.

Care should be taken, therefore, when assessing a target company's intercompany management fee arrangements and any supporting legal documentation to determine whether the substance of these arrangements reflects the underlying economic activity of the companies involved. Depending on the nature and amount of intercompany management fees paid, the CRA may determine that a target company has a significant unrecorded tax liability in this regard.

Family trust ownership structures – multiplication of the small business deduction

When looking at a family-owned corporate group of companies, it is not uncommon to see ownership structures that involve the control of each operating company within the group being held (directly or indirectly) by a separate trust—each for one member of the family as a single beneficiary. Structures are set up this way, in part, to maximize the small business deduction (SBD) that's available to each operating company within the family-operated corporate group; if they were held under common control, these operating companies would be associated for the purposes of the Act and would be required to share the SBD.



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When it comes to determining whether corporations controlled by family trusts are associated with each other, the trust association rules are complex. Depending on the particular case facts, there is a risk that the CRA could consider the trust association or de facto control rules to apply to pre-acquisition taxation years of the operating companies that are not yet statute-barred. Such a determination would deem the operating companies to have been associated, triggering a denial of all or a portion of the SBD each operating company may have claimed separately in prior taxation years; this, in turn, would generate a potentially significant tax liability for the corporate group as a whole in the form of reassessed and unpaid income taxes, along with prescribed interest and any corresponding penalties.

Regulation 105 withholding

Subsection 105(1) of the Income Tax Regulations states that every person who pays to a non-resident person a fee, commission, or other amount in respect of services rendered in Canada must withhold and remit 15% of such an amount. Nevertheless, exposure to Regulation 105 withholding tax is often overlooked during the normal course of a target company's tax compliance process, particularly in the case of an owner-managed business, which may not employ a robust internal tax compliance function.

For example, a withholding tax exposure can arise in a situation where a target company resident in Canada enlists an unrelated non-resident to perform certain services in Canada on its behalf. If the non-resident does not receive a Regulation 105 waiver (issued by the CRA), such services would be subject to Regulation 105 withholding tax, which the target company would be responsible for withholding and remitting.

Depending on the value of the service payments and the length of contract activity in Canada, non-compliance can give rise to significant additional taxes payable in the event of a CRA reassessment post-acquisition; these costs may include a 10% penalty on the required withholding amount for failure to withhold and remit, in addition to the applicable prescribed interest. Therefore, in such situations, it is important to:

- Assess the nature of the contracted business activities being undertaken by a target company;
- Determine the residency of any persons engaged to perform such contracted business activities for the target company; and
- Ascertain whether any of the persons who are non-resident have been issued Regulation 105 waivers.

Payroll compliance and independent contractors in the office

In general, remuneration paid by a Canadian resident company to an employee is subject to Canadian payroll withholding and remittance requirements, including employment insurance (EI) and Canada pension plan (CPP) contributions. Whether an individual is an employee of a company is a question of fact, and there are numerous considerations in determining their status, including the degree of control they have over their work, their level of financial risk, and their ownership of any equipment used in the course of their work.

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"The existence and nature of any unrecorded tax liabilities can significantly affect the investment risk (and therefore the value) of a business, substantially altering the landscape in which the negotiation of a sale and purchase agreement takes place..."

In owner-managed business situations, it's common for a target company to engage its key management and sales personnel on a contract basis. There's a risk in doing so, however; the CRA could consider such personnel to be employees of the company, thereby triggering withholding tax liabilities for EI and CPP contributions. In practice, the CRA may refrain from reassessing the amount of income tax the employer failed to deduct; however, the CRA is not bound to do so, which means it is entirely possible for a target company to be reassessed for additional income tax deductions as well.

In short, it's important to obtain a clear understanding of how a target company has enlisted its key management and sales staff in order to assess the risk of additional taxes payable that may arise if the CRA conducts a review post-acquisition.

A final word of caution

These are just a few of the common Canadian corporate income tax issues that may arise during the due diligence process prior to a business acquisition. Those looking to make an acquisition of a taxable Canadian corporation should consider carefully the tax implications of such a transaction and the inherent tax attributes of the business—so, too, should Canadian owner-managers who may be planning to sell their businesses. The existence and nature of any unrecorded tax liabilities can significantly affect the investment risk (and therefore the value) of a business, substantially altering the landscape in which the negotiation of a sale and purchase agreement takes place; the result could be the need for additional holdback provisions, income tax indemnification clauses, and other similar contractual arrangements. ■



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June 21, 9am-5pm, Vancouver

Becoming a Skilled Negotiator

To succeed in business today, accountants need to negotiate effectively with internal and external parties. This one-day interactive workshop will show finance professionals how to reach mutually agreeable business solutions by thinking about and acting for the long-term success of negotiated outcomes.

May 20, 9am-5pm, Vancouver

Wiring Your Brain for High-Impact Leadership

Ninety per cent of what we know about the brain has been learned in the last two years. Come and hear what learning skills specialist Terry Small (aka "the Brain Guy") has to say about translating brain research into practice, and about learning to lead with the brain in mind.

June 15, 9am-5pm, Vancouver
June 21, 9am-5pm, Surrey
July 12, 9am-5pm, Victoria

We Have to Talk – Having the Difficult Performance Conversations

Conduct a Google search, and you'll find dozens of books on the topic of difficult conversations. One common theme emerges from this literature: The fear of difficult conversations is often more stressful than the actual conversations. This seminar will explain why "difficult" conversations are key to successful working relationships.

July 7, 9am-5pm, Vancouver

CONTROLLERSHIP & MANAGEMENT ACCOUNTING

Financial Statement Analysis

Professional accountants are often involved in the review and analysis of financial statements, but as with any skills, the skills needed for this work may deteriorate over time.

This seminar will re-familiarize you with the key reporting issues that affect financial statement analysis, and help you strengthen the critical skills needed in your toolbox.

June 7, 9am-5pm, Vancouver

Management and Finance in the Age of Disruption

Is your organization reactive or proactive? Does it watch while the world changes, or is it a change-leader? What should you do to prepare for business disruption?

This fast-paced seminar will review the leading disruptors: technologies, disintermediation, and demographics. It will consider the causes and consequences of business disruption, and discuss how financial managers can prepare for and cope with these issues.

June 21, 9am-5pm, Vancouver

INFORMATION & BUSINESS TECHNOLOGY

Do It Yourself Business Intelligence

Using "do it yourself business intelligence" provided by Microsoft's Power BI Desktop, you will discover how to create reports and dashboards quickly and easily, and learn how to solve many of the financial and operational reporting issues you face each day.

July 22, 9am-12:30pm, Vancouver

Business Continuity – Best Practices for Managing the Risks

Today's technology-dependent organizations must have a plan for operations in the event that facilities, power, communications, and/or technology fail or become compromised. Are you and your team members prepared for a business disruption?

Natural disasters, technology glitches, human failures, and even sabotage and terrorism threaten businesses of all sizes today. In this course, you'll learn how to develop and implement a business continuity plan to help manage the risks associated with business interruptions both large and small.

July 22, 1:30pm-5pm, Vancouver

Optimizing Data for Power Pivot using Power Query

This course will take a deep dive into Power Pivot, explaining the various issues that can slow down its performance. The course will also introduce Power Query, and show how the program can be used to optimize and reduce the amount of data required in Power Pivot, thereby allowing end users to have more acceptable run-time experiences.

July 12, 9am-5pm, Vancouver

FINANCE

Budgeting & Financial Management: Understanding Budgeting Variance Analysis & Forecasting

This interactive, full-day seminar will enable participants to understand and use financial information, adopt a disciplined approach to managing budgets, and communicate with financial specialists. It is designed specifically for those who are responsible for financial management, budgeting, and forecasting in their firms or organizations.

May 19, 9am-5pm, Vancouver
June 20, 9am-5pm, Surrey
July 6, 9am-5pm, Victoria

Business Valuations: Introduction

This seminar will give participants practical insights into business valuation principles and practices. Participants will learn about valuation tools (such as multiples and discounted cash flow) and learn how to apply these tools to business case studies. The course will be particularly valuable to members in industry and to practitioners with limited to no valuation experience.

May 26, 9am-5pm, Vancouver

WEALTH MANAGEMENT

Personal Investing

This seminar will give you the knowledge needed to properly manage your own investments, whether directly or with the help of an adviser. It will also assist you in offering investment advisory services to your clients.

June 15, 9am-5pm, Vancouver

Estate and Financial Planning for Private Business Owners

This full-day seminar will expose external and internal advisers to experts in tax, life insurance, pensions, and employee benefit programs. It will look at how these areas of practice relate to private businesses, including family-owned businesses. This is an intermediate seminar designed to enable CPAs working in public practice, working as CFOs, and working as internal advisers in other areas to assist private business owners with their financial and estate planning.

June 21, 9am-5pm, Vancouver

TAXATION

Income Tax Planning Refresher for Personal Tax

This is a refresher seminar for those of you who want to refresh your knowledge of personal tax, trusts, and partnerships. At the end of the two-day course, you'll have a good understanding of the latest tax rules and insight into planning opportunities related to individuals, partnerships, and trusts. Note: In terms of content, there is some overlap between this seminar and the one-day seminar Tax Returns – Personal.

June 2-3, 9am-5pm, Vancouver

Tax for Controllers

Small, growing, and mid-sized companies face a broad range of tax and related compliance issues, and the penalties and tax costs for failing to meet these compliance requirements can be severe. Without an in-house tax department, the responsibility for these areas usually falls on the controllers. This seminar will help controllers of private companies stay current on an array of tax and related compliance issues. Items will be covered at a general level, with specific examples, cases, and practical problems provided.

June 22-23, 9am-5pm, Vancouver

EXECUTIVE PROGRAMS FOR SPRING/SUMMER 2016

CFO's Leadership Program
May 11-14 | Manteo Resort Kelowna

CFO's Operational Skills Program
May 15-18 | Manteo Resort Kelowna

Controller's Operational Skills Program
June 15-18 | Westin Whistler Resort

Controller's Management Program
June 19-22 | Westin Whistler Resort

Kudos!



Brent Ashby, CPA, CA, a partner with KPMG (Kamloops), has been appointed to serve on the executive committee of the Kamloops Chamber of Commerce. Brent will serve as treasurer for 2016-2017.

Bev Briscoe, FCPA, FCA, president of Briscoe Management Ltd., and **Fiona Macfarlane, CPA (Hon.)**, BC managing partner and chief inclusiveness officer at Ernst & Young LLP, were both included in *BC Business* magazine's 2016 list of the 35 most influential women in British Columbia.



Bev Briscoe



Fiona Macfarlane

At the Surrey Board of Trade's annual Surrey Women in Business Awards luncheon, which was held on March 8, 2016, **Janice Comeau, CPA, CA**, CFO of LMS Reinforcing Steel Group, was recognized in the Corporate/Leadership category, and **Amanjit Lidder, CPA, CA**, a partner and regional tax leader with MNP LLP (Surrey), was recognized in the Professional category.



Janice Comeau



Amanjit Lidder

J.S. (Woody) Hayes, FCPA, FCA, was appointed as a Bencher of the Law Society of British Columbia (LSBC) by the Provincial Cabinet, effective January 1, 2016. Woody replaces **Peter Lloyd, FCPA, FCA**, as an appointed Bencher on the Society's board of governors. Originally appointed to the board in 2008, Peter is now a Life Bencher of the LSBC.



Woody Hayes



Peter Lloyd



Bruce McLennan, FCPA, FCMA, has been appointed interim deputy minister of Health and Social Services for the Government of Yukon. Bruce is a former deputy minister of Finance, Education, and Health and Social services for the Yukon government.



Carolyn Rogers, CPA, CMA, has won a 2016 PEAK Award from the Association of Women in Finance. She has been recognized in the Excellence in the Public Sector category for her role as CEO and superintendent of the Financial Institutions Commission. The award will be presented on May 10 at the PEAK Awards gala.

Have an announcement you'd like to share? Email us at:
infocusmag@bccpa.ca

RHN Chartered Professional Accountants is pleased to announce that **Venus Duplin, CAFM, CPA, CGA**, and **Cher Wood, CPA, CGA**, became shareholders, effective January 1, 2016. Venus joined RHN in 1998. She was promoted to manager of client services in 2008 and appointed to the role of director in 2011. She has extensive experience serving strata corporations, First Nations, not-for-profit organizations, and corporations. Cher joined RHN as manager of client services in 2008 and was appointed to the role of director in 2014. She has extensive experience in personal and corporate taxation and tax planning, and was instrumental in the establishment of RHN's Osoyoos office.


Venus Duplin


Cher Wood

In Memoriam

We wish to extend our condolences to the family, friends, and colleagues of the following individuals, both of whom were leaders in the profession:



J. V. (Vern) Gibson, CPA, CMA

Prior to his retirement, Vern was an instructor in financial management at the British Columbia Institute of Technology. He'd previously worked in the oil and gas, construction, and forestry industries.

Highly active with the CMA Society, Vern volunteered on several provincial committees as a member and chair, served on the provincial council, and was council president in 1979-1980. At the national level, Vern served as chair of receptions and entertainment for the 1982 national conference. In 2010, Vern received Life Member status in recognition of his contributions to the profession.

Vern passed away on February 7, 2016, at 77 years of age.



John F. Wray, CPA, CMA

Prior to his retirement, John ran Wray and Co., a company he founded in the early 1970s. He'd previously worked as general manager of Andres Wines and held various positions in forestry, working with Strom Lumber, Arctic Mills, and Armstrong Sawmills.

Highly active with the CMA Society, John volunteered on several provincial committees and boards as a member and chair, presented at post-secondary institutions, served on the provincial council, and was council president in 1976-1977. He was also an active member of the Society's Vancouver Chapter and served twice as its chair. In 1990, John received Life Member status in recognition of his contributions to the profession.

John passed away on March 10, 2016, at 87 years of age.

Jantarat/iStock/Thinkstock



The 2015 FCPAs. Standing (l to r): Praveen Varshney, FCPA, FCA; Gayle Gorrill, FCPA, FCA; Bert Miles, FCPA, FCMA; Gordon Cummings, FCPA, FCA, CPA (Illinois); C.Y. Tay, FCPA, FCGA; and Kay Gray, FCPA, FCGA. Seated (l to r): Janice Roper, FCPA, FCA; Lorne Calder, FCPA, FCMA; Lori Mathison, FCPA, FCGA, LLB; Paul Hamilton, FCPA, FCA; and Carol Bellringer, FCPA, FCA. Photo by Kent Kallberg Studios.

Celebrating BC's Newest FCPAs

Eleven chartered professional accountants were elected to the CPABC fellowship in 2015, in recognition of their exceptional volunteer services to the profession, their career achievements, and their volunteer contributions to professional and not-for-profit organizations.

These newest FCPAs were recognized at the inaugural CPABC member recognition dinner on February 17, 2016, along with the profession's award winners for Early Achievement, Service to the Profession, and Community Service. The FCPAs were again recognized on March 29, at the inaugural FCPA dinner, which was held at the Terminal City Club in Vancouver. More than 140 FCPAs gathered to celebrate the exceptional accomplishments of the most recent recipients of this prestigious honour. Among them were several special guests, including outgoing CPA Canada president and CEO Kevin Dancey, FCPA, FCA (Joy Thomas, FCPA, FCMA, has since taken on the role), and several members of CPABC's board of directors.

For more information about CPABC's member recognition awards, please visit the CPABC website at **bccpa.ca**.



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Merger or Succession Opportunity

A successful mid-size Metro Vancouver firm is looking to expand in Tri-Cities, Langley, and Surrey through a practice purchase or succession. Mergers and mid- to short-term practice succession/acquisitions are of interest. Our firm has a proven track record of providing a welcoming and rewarding practice environment for successful professionals. Reply in confidence to midsizefirm@gmail.com.

Practice Purchase or Succession

CPA, CGA sole practitioner is looking to purchase an existing public practice in the Lower Mainland area. Any firm size or type of succession planning will be considered. Reply to dkim@live.ca or 604-715-7685.

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Merger Opportunity – Vancouver West Side

Vancouver (west side) 2 partner/7 staff CPA, CA firm seeks merger opportunity with 1-3 partner CPA firm. CPAB & PCAOB-registered CPABC accredited training office. Reply in confidence to: Cpafirm2016@gmail.com.

Office Space Available – North Vancouver, Lonsdale Quay

CPA firm has a large, top floor, corner and adjoining office space available to share. Reception, kitchen, and conference room available for use. Great view space, suitable for a two-to-three person practice. Excellent location for Seabus access to downtown Vancouver. Reserved monthly parking also available. For more information, contact Norm Godding at: 604-984-4311 or normg@goddingsheane.com.

Succession or Retirement Purchase – Vancouver Island

Dickson, Dusanj & Wirk Chartered Professional Accountants, a Victoria-based firm, is looking to purchase a practice or block of accounts. We have successfully completed previous acquisitions and successions. Our firm provides a full range of assurance, accounting, tax, and business advisory services. Flexible terms are available. Please reply to practice@ddwca.com.

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MEMBER PROFILE

Sherry Tryssenaar, CPA, CMA

CFO, Ten Peaks Coffee Company

Profile by Michelle McRae
Photo by Roger Mahler

Although Sherry Tryssenaar admits to being a "serious" coffee addict, she says her decision to join Ten Peaks Coffee Company as CFO had more to do with a passion for new experiences than a passion for java.

"I love a challenge," she says. "It's fair to say I seek out positions and opportunities that will allow me to continue to grow and develop as a leader, and opportunities to apply what I've learned to new situations."

By the time Sherry joined Ten Peaks in 2009, she'd worked extensively in the investment industry, holding leadership roles with Quorum Funding, HSBC Securities, Research Capital Corporation, and RBC Technology Ventures. In 2003, she switched to the other side of the industry to serve as CFO and VP of operations and finance for OncoGenex, a start-up biotech company for which she'd been providing consulting services.

It was after taking on the role of CFO that Sherry decided to pursue an accounting designation.

"Although I'd studied business during my undergrad, I didn't aspire to be an accountant," says Sherry. The Simon Fraser University grad (BBA with honours) also has an MSc from the London School of Economics. "I had a strong interest in business strategy and wanted to work with businesses to help them grow. And after I became a CFO, I saw that an accounting designation would support me in my career."

Between her consulting and CFO work, Sherry helped OncoGenex progress from initial product acquisition to clinical development within four years. She then made the move from biotech to clean tech, joining QuestAir Technologies as CFO in 2005. Over the next four years, she again helped raise considerable capital to fund research and growth. By 2009, she was ready for something new.

"I wanted to work for a more traditional business—one that could fund its own growth from operations," she explains. "Ten Peaks' predecessor entity, the Swiss Water Decaffeinated Coffee Income Fund, was looking for a CFO at the time. I love coffee, and I saw an opportunity to contribute to the growth of the business, so I joined."

Ten Peaks owns all the interests of the Swiss Water Decaffeinated Coffee Company Inc. and owns and operates Seaforth Supply Chain Solutions Inc.

"The most rewarding aspect of my job is being able to work with a fabulous team of people who are committed to delivering an exceptional product," says Sherry. "I've had the opportunity to work on numerous projects over the past seven years, and there's always something new to apply my skills to."

Those skills haven't gone unnoticed. In 2011, Sherry received *Business in Vancouver*'s BC CFO of the Year Award in the Small Public Company Category.

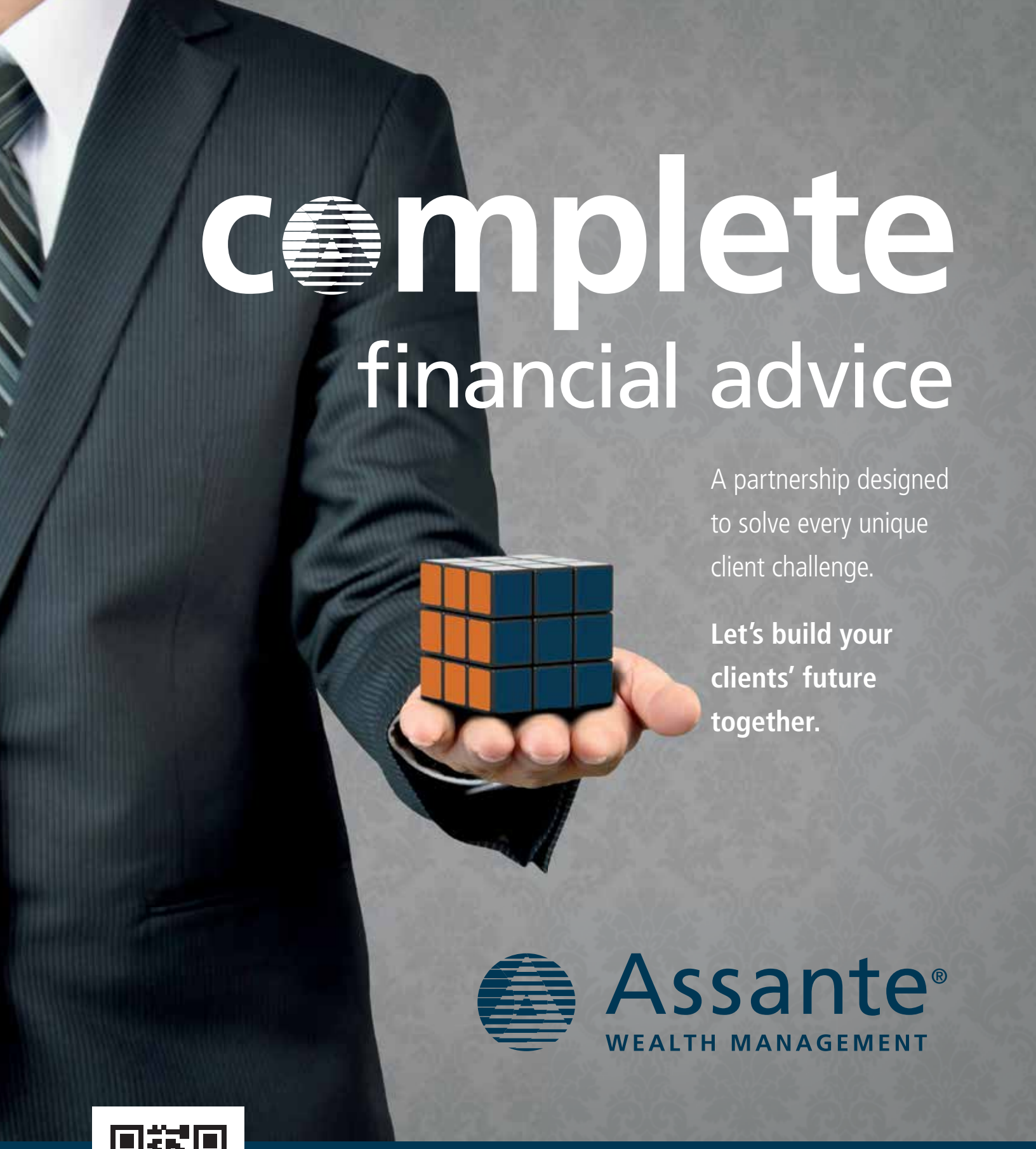
"I was honoured to receive the award," she says. "It was a great opportunity to reflect on what I'd achieved in my career to that point, and to thank the people who'd helped me along the way."

Sherry herself is deeply committed to giving back. For the past 20 years, she has served on the boards of public and private companies and not-for-profits, including Women in Capital Markets (Toronto) and the Dress for Success Vancouver Society. Currently, she's a director and past chair of the YWCA Metro Vancouver and a director of Unit Electrical Engineering.

"I love it—it's so great to be able to contribute to another organization as a director," she says. "It also allows me to see things from a different perspective, and to bring this broader perspective to my work."

A long-time mentor as well, Sherry advises young CPAs to expand their horizons: "Take responsibility for your life and your career, and always look for opportunities to grow."

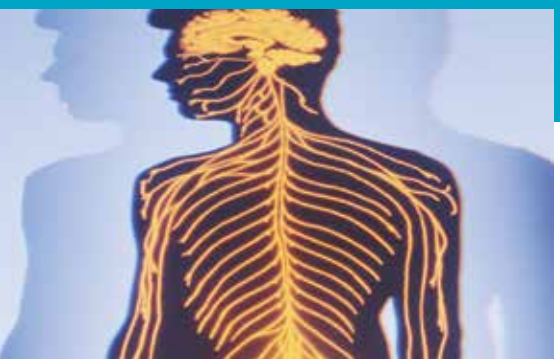
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Canada Revenue Agency (CRA) Federal Legislation allows business owners to fully tax deduct 100% of their healthcare costs as a business expense using a Private Health Services Plan.

Who qualifies?

Anyone who owns a business of any size, employees and dependents. No health questions or age limits. This is not insurance.

What's covered?

100% of virtually all dental and medical expenses. Visit our website www.trustedadvisor.ca for a complete list.

What's the cost?

There is a one-time set-up fee plus applicable taxes. The additional cost is 10% administration fee plus applicable taxes, depending on which province you live in.

Who uses a Private Health Services Plan?

Business owners who:

- > do not qualify for group insurance or find it too expensive
- > find group insurance coverage too restrictive; i.e.; orthodontics
- > have sick child or spouse
- > want front of line treatment
- > want to write-off child support relating to healthcare expenses
- > large groups who have been struggling with significant cost increases each year.

A partial list of qualified expenses:

Acupuncture
Alcoholism Treatment
Ambulance
Anesthetist
Attendant Care
Birth Control Pills
Blood tests
Catscan
Chinese medicine
Chiropractor
Crowns
Dental Treatment
Dental Implants
Dental X-rays
Dentures
Dermatologist
Detoxification Clinic
Diagnostic Fees
Dietitian
Drug Addiction Therapy
Eyeglasses
Fertility Treatments
Guide Dog
Hair Transplant
Hearing Aid and Batteries
Hospital Bills
Insulin Treatments
Lab Tests
Laser Eye Surgery
Lodging (away from home for outpatient care)
MRI
Naturopath
Nursing Home (incl. board & meals)
Optician
Oral Surgery
Orthodontist
Orthopedist
Osteopath
Out-of-Country Medical Expenses
Physician
Physiotherapist
Prescription Medicine
Psychiatrist
Psychologist
Psychotherapy
Registered Massage Therapy
Renovations & Alterations to Dwelling (for severe & prolonged impairments)
Special School Costs for the Handicapped
Surgeon
Transportation Expenses (relative to health care)
Viagra
Vitamins (if prescribed)
Wheelchair
X rays

Note: This is a partial list. All allowable expenses must qualify as outlined in the Income Tax Act

Why are your clients doing this with their healthcare expenses?

Healthcare Costs	$1600
(3% of net income) Deduct	$1500
Available for credit	$100
Tax Credit*	**$25**

When they could be doing this!

Healthcare Costs	$1600
Admin Fee (10%)	$ 160
Tax-deductible total	$1760
Tax Deduction	**$1760**

EXAMPLE:
Net income of $50,000 per year with family medical expenses of $1600
*Based on a combined Federal and Provincial rate of 25%.





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