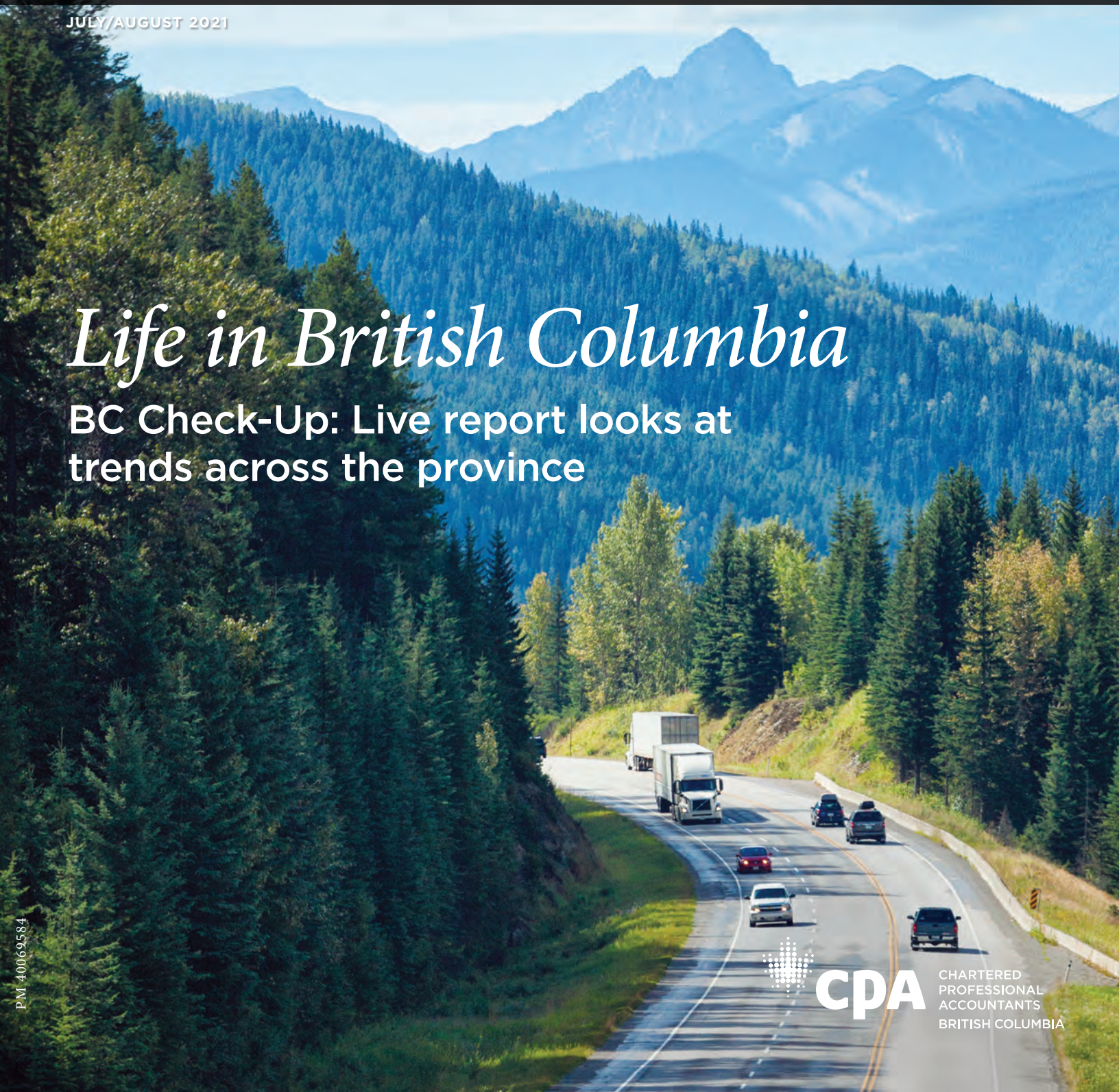
CPABC

INFOCUS

5 Notes from the Leadership
23 BC Check-Up Survey Results
24 Regulatory Report to the Public
26 Ethics
28 Personal Development
32 Tax
36 Ongoing Learning
42 Kudos
46 Snapshot

JULY/AUGUST 2021

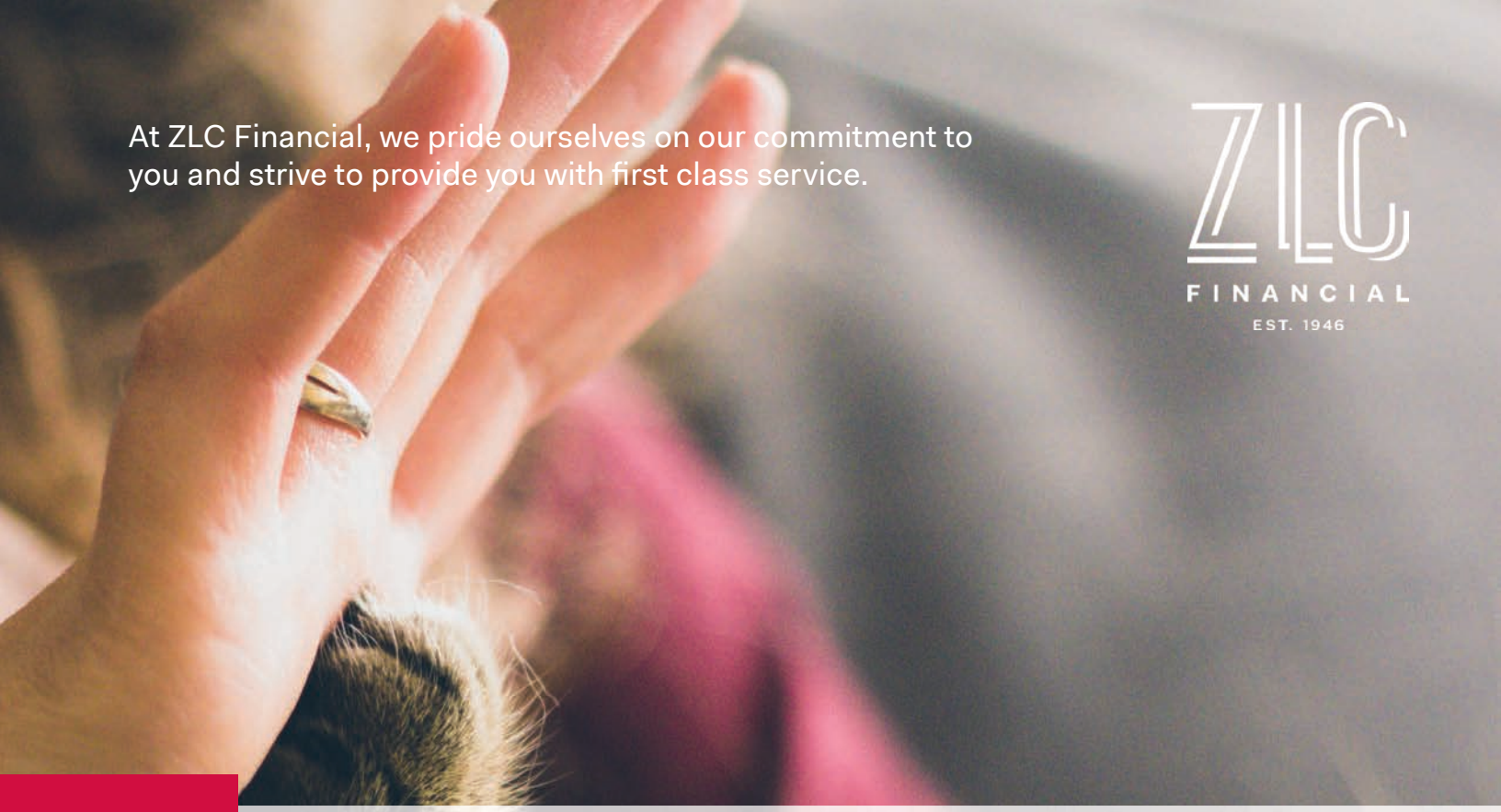


Life in British Columbia

BC Check-Up: Live report looks at trends across the province

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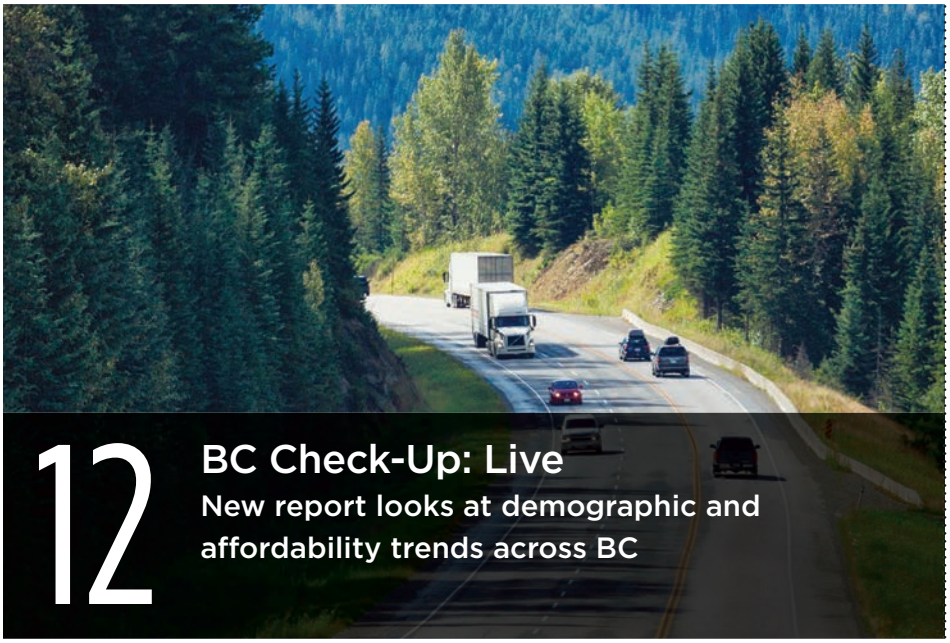
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Contents

Cover Story



12 BC Check-Up: Live
New report looks at demographic and affordability trends across BC

23 BCU: Live Survey Results
CPAs weigh in on the economy and the housing market



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Recurring Columns

26 Ethics
Identifying and managing conflicts of interest—a refresher

28 Personal Development
Too many distractions? Try these techniques to streamline your workday and boost your productivity

32 Tax
Working from anywhere—the tax implications for employers

6 Member forums
7 CPD exemptions update
9 Nominate a peer
10 Online resources

Cover image: powerofforever/iStock/Getty Images

In Focus

5 Notes from the Leadership

6 Notes & News

24 This and That
Highlights from CPABC's *Regulatory Report to the Public* for 2020-2021

36 Ongoing Learning
- PD Experts: Zooming your negotiations
- PD Highlights: This summer's certificate programs on resilient leadership and strategic management + upcoming executive programs for CFOs
- Events: A recap of CPABC's virtual Convocation

42 Members in Focus
- Announcements and accolades
- CPAs in the Community

46 Snapshot
Rhian Quarry, CPA
Madison Pacific Properties Inc.



Photo by Kent Kallberg Studios

CPABC INFOCUS

July/August 2021, Vol. 9, No. 4

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

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About

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Charting a Course for the Future



Karen Horcher, FCPA, FCGA
CPABC Chair

It's hard to believe that summer has already arrived! I'm honoured to begin my tenure as chair, and I want to start by thanking my predecessor Geoff Dodds, CPA, CA, for his exceptional leadership during such unusual times.

We're still not back to "normal," of course, and given the ongoing restrictions on in-person events, CPABC held its annual general meeting virtually on June 23. Five CPAs were elected to the CPABC Board of Directors during the AGM,* and I would like to welcome them to the board. I'd also like to acknowledge every member who put their name forward. Volunteers are essential to CPABC's governance and oversight, so thank you for being so engaged in the profession.

The 2021/2022 board will soon meet with members of CPABC's executive management committee at the annual board retreat, which is being held virtually again this year. Given the uncertainty on the horizon, the board will be taking a step back to carefully consider the implications of a post-pandemic landscape, including both ongoing macro trends and near-term trends that will drive the risks and opportunities faced by CPABC over the coming year. For example, we know that members' expectations have changed with respect to service delivery, with increased demand for digital and virtual offerings. CPABC will need to continue offering diverse and accessible programming when and where members need it.

Cybersecurity will also be a topic of discussion for the board, as recent global events have highlighted how technological weaknesses can be exploited. We must ensure that both the profession and our members are embracing digital transformation while maintaining data security.

Much has happened over the past 15 months, and the pace of change is clearly not slowing down. This is a critical time for our profession, and I look forward to working with our board as we map out the future for CPABC. ■

**Board elections took place as this issue was being printed. We will highlight the successful board candidates in the September/October 2021 issue of the magazine.*

Staying Resilient



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

As Karen mentions above, CPABC board members will soon be meeting with the organization's executive team at our annual board retreat. We use this retreat as an opportunity to describe how we're aligning our activities with our strategic plan and discuss our ongoing efforts to protect the public; serve our members, candidates, and students; and operate effectively.

As some health restrictions are likely to remain in place for the better part of 2021, we will continue to adapt and innovate to fulfil our mandate. Last year, we transitioned many of our programs and services to virtual platforms, accelerating CPABC's adoption of technology in the process. Continuing to advance our digital transformation in 2021 will be critical to ensuring effective service delivery and regulatory oversight now and in the future, and it will enable us to position CPABC well for the "next normal" state of operations post-pandemic.

We also continue to liaise with the provincial government and contribute our expertise to relevant government priorities that serve the public interest. In particular, we continue to participate in the Cullen Commission of Inquiry into Money Laundering, and we are developing additional anti-money-laundering resources for CPABC members.

We are also working on equity, diversity, and inclusion initiatives designed to help our profession reflect the diversity of the communities that our members serve. As a key example, we're continuing to develop CPABC's Indigenous strategy.

Lastly, we are working to increase volunteer participation in the CPA Financial Literacy Program and raise awareness of the program among British Columbians.

To date, CPABC and its members, candidates, and students have been both resilient and adaptable—qualities that will continue to be vital as we navigate unstable and uncertain economic conditions. The strong foundation that was in place before the pandemic will continue to support us, and the critical programs I've described will help us modernize systems, drive efficiencies, and provide value to our members and British Columbians at large. ■

MEMBER SERVICES

Member Forums: Spotlight on Tech

CPABC's various member forums enable BC CPAs to connect on matters of common interest. One example is the CPA Technology Forum, which has a mandate to help members stay abreast of emerging technology issues.

The CPA Technology Forum meets up to nine times a year, with sessions on everything from data security to enterprise resource planning (ERP). Guest speakers from the IT sector are often featured. Meetings are currently being hosted online due to the pandemic, which has the benefit of enabling CPAs from across BC to participate in the sharing of knowledge and ideas.

Louis Fourie, CPA, CGA, chair of the forum, says one of the most frequently asked questions is "How much IT knowledge is a CPA expected to possess?"

"Professional accountants aren't expected to code software," says Fourie, "but keeping up with evolving business software and processes is important."

He points to the typical IT life cycle by way of example.

"Prior to implementation, a CPA needs to be aware of ERP software developments and features to choose the best system, which can be a daunting task if it requires applications outside the accounting orbit," he says. "Then, during the implementation phase, the CPA may be responsible for testing the integrity of the new system, which may include validating the accuracy of the data conversion and the correctness of the financial data and ensuring that the system's end results are reliable for reporting and decision-making purposes.

"During the operational phase," he continues, "the CPA will likely be involved in the maintenance of the system and periodic upgrades. Understanding the nature of software modifications will enable the CPA to properly test the system to ensure that everything is working the way it is supposed to before modifications are applied."

One way members can stay current is by taking professional development courses, and the profession's requirement for continuing professional development supports this ongoing learning objective.

"CPAs appreciate that IT is evolving rapidly," says Fourie. "The future of the profession requires a recognition of its dependency on technology and the need to better understand its potential."

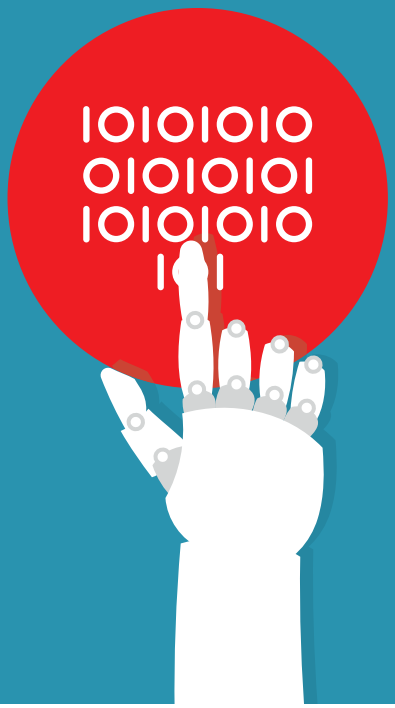
The forum welcomes members at all stages of their careers, from those just starting out to those nearing retirement. "Some older CPAs may think the 'technology bandwagon' has passed them by," says Fourie, "but it's never too late to jump aboard. You'll soon find that your knowledge has improved."

Connect with the forum

To learn more about this and other CPABC forums, including how to join, visit **bccpa.ca/member-services**. Alternatively, you can reach out to **professionaladvisory@bccpa.ca**.

Did you know?

The CPA Technology Forum was launched 35 years ago by the CGA-BC legacy organization. Its founding director, Wynne Powell, FCPA, FCGA, is now retired and serves on numerous provincial boards. He continues to share his knowledge to help organizations better understand how technology can be used to support business goals.



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CPD EXEMPTIONS UPDATE

Amendments Effective for 2021 CPD Reporting

CPABC recently completed a review of its continuing professional development (CPD) requirements and exemptions to ensure regulatory best practices. This resulted in amendments that will provide a more principled and simplified approach to the regulation of CPD matters.

First: What has *not* changed

The basics (see right)

Members are required to complete a prescribed minimum number of CPD hours annually and for the rolling three-calendar-year period set out in Part 6 of the *CPABC Bylaw Regulations* (definition 600/2: "Continuing Professional Development Program: Basic Requirements").

Professional competence

Rule 203 of the *CPABC Code of Professional Conduct* (CPA Code) may require a member to complete more than the prescribed minimum number of CPD hours indicated in the table above in order to maintain the level of professional competence necessary for the work in which they are engaged. Rule 203 (Professional competence) states: "A member shall sustain professional competence by keeping informed of, and complying with, developments in professional standards in all functions in which the member provides professional services or is relied upon because of the member's calling."

Second: What *has* changed

CPD exemption from the Basic Requirements

Members who meet **all** of the following criteria may now be exempt from the prescribed minimum number of CPD hours:

a) Their Gross Active Revenues* do not exceed the threshold for the calendar year (for 2021 CPD, the threshold is C$32,300);
b) They do not engage in public practice as defined in the *CPABC Bylaws* at any time in the calendar year;
c) They do not serve in any of the following capacities for a public company or reporting issuer as defined in the CPA Code, at any time in the calendar year:
   i. As a member of its board or similar governing body; or
   ii. As a member of its audit, finance, or similar governance committee; and
d) They comply with Rule 203 (Professional competence) in the CPA Code.

To declare eligibility for exemption from the Basic Requirements, sign into CPABC's secure website at **services.bccpa.ca**.

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

Prescribed Minimum CPD Requirements (in Hours)

	Verifiable CPD	Additional CPD*	Total CPD
Annual	10	10	20
Rolling three-calendar-year period, including four hours of verifiable professional ethics CPD	60	60	120

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

CPD exemption from annual reporting

Members who meet the eligibility requirements for the CPD exemption from the Basic Requirements *and* who have no intention of performing activities that would cause them to lose eligibility may now also make a declaration for exemption from annual reporting.

To declare eligibility for exemption from annual reporting, sign into CPABC's secure website at **services.bccpa.ca**.

Learning plan

Members who no longer qualify for exemption from the Basic Requirements after having been exempt for three or more consecutive CPD years are strongly encouraged to create a CPD learning plan to ensure that they develop the competencies necessary for their roles. We recommend that members contact CPABC's professional advisory team at **professionaladvisory@bccpa.ca** for guidance on developing an effective learning plan.

Need guidance?

Not sure if you're eligible for a CPD exemption? Contact us at **cpd@bccpa.ca** or visit **bccpa.ca/cpd** for more information.



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RESOURCES FOR CFE WRITERS

Regional Event Gives CFE Writers Case-Writing Practice and Exam Preparation Tips

In preparation for the May 2021 writing of the Common Final Exam (CFE), CPABC partnered with the CPA Western School of Business (CPAWSB) to host a regional event that featured a case-writing practice session on March 26 and an exam-writing preparation session on March 29. Building on the success of last year's pilot event, registration for these virtual sessions was expanded to include eligible* CPA PEP candidates from BC, Saskatchewan, and Manitoba.

Recognizing that time management, writing strategies, and confidence are key to success on the CFE, the case-writing practice session was designed to give candidates an opportunity to fine-tune their skills under time constraints and get tips and study strategies, as well as insights on exam psychology. CPAWSB's learner support team gave participants an overview of the CFE process, described the scoring criteria, and provided exam writing tips.

Participants then had 90 minutes to write their practice cases under exam conditions and upload their completed files to CPAWSB's learning platform. Each participant was subsequently assigned the case of a peer for marking and given guidelines and instructions on how to offer meaningful feedback.

At the exam-writing preparation session three days later, participants learned how to maintain their mental confidence leading up to and during the exam. This second session concluded with a panel discussion where successful CFE writers offered valuable tips for CFE success.

Given the popularity of this event and the high demand for additional support, CPABC plans to continue offering these sessions on an ongoing basis in the lead-up to each CFE writing. The next event is scheduled for July 9-12, 2021.

**Those scheduled to write the May 2021 CFE.*

RESOURCES FOR EMPLOYERS & JOB SEEKERS

CPABC's Employer Showcase Caps Off Virtual Spring Recruitment Season

This past spring, CPABC hosted several events to help CPAs, candidates, students, and prospects put their best foot forward when networking and interviewing with employers in a virtual setting. Attendees had the chance to glean new insights from webinars such as "How to Stand Out in Virtual Events," "Personal Value Proposition," "Remote Communication Best Practices," "Navigating Virtual Career Fairs," and "Maintaining Professional Connections."

Our lineup of spring recruitment events concluded with CPABC's popular Employer Showcase, the largest virtual career fair exclusively for accounting professionals in BC. More than 650 participants logged on to connect with representatives from 45 exhibiting organizations and recruitment agencies during this four-hour event. Participants of all experience levels had the opportunity to meet with representatives in an engaging online format that included virtual breakout rooms, one-on-one video calls, and live chat messages.

Miss the event?

Save the date for the next virtual Employer Showcase coming up on August 26, 2021. Email **careers@bccpa.ca** to learn how you can participate as an employer or a job seeker.

Visit bccpa.ca/become-a-cpa/events for the latest on all upcoming career development and recruitment events.

Get involved

If you're interested in engaging with prospective CPAs and inspiring the next generation of the profession, here are two ways you can volunteer your time with CPABC:

Share your CPA story

CPABC's monthly webinar series, "Conversation with a CPA," invites passionate CPAs to participate in a moderated discussion about their career journey and answer questions from prospective students. If you're interested in being one of our guests, email Sharon Hummel, CPABC's student recruitment manager, at **shummel@bccpa.ca**. We are currently booking guest CPAs for our fall and winter sessions.

Join the CPABC Ambassador Program

CPABC is seeking proud and enthusiastic CPAs to join the CPABC Ambassador Program. Volunteer opportunities for member ambassadors include serving as guest speakers and panellists, representing the profession at career fairs and networking events, and judging accounting competitions.

Tailor your participation to your schedule

How much time you commit to either of these volunteer opportunities is entirely up to you, as there's no specific time commitment for the webinar series or the Ambassador Program. For more information, visit **bccpa.ca/become-a-cpa/get-involved**.

RECRUITMENT EVENTS

2021 CPABC COIN Competition Celebrates Top 20 Students

On April 17, 128 students from 43 high schools across BC took part in CPABC's annual COIN Competition, which was hosted on the virtual platform ChatterHigh. Students demonstrated their accounting acumen on a 66-question multiple-choice exam that focused on introductory accounting and business concepts.

As per tradition, the top 20 performers on the exam were invited to attend an awards ceremony. At this year's ceremony, held virtually on May 1, Carrie Or, CPA, CGA, senior finance manager at Microsoft, told the students about her path to the CPA designation and described the breadth of business and accounting career opportunities available to CPAs.

Cash prize awards were then presented to the top 20 students, whom we've listed below in order of performance on the exam:

Place	Name	School	City
1	Nick Liu	Fraser Heights Secondary	Surrey
2	Victoria Brooks	Crofton House School	Vancouver
3	Jackson Buck Hatton	Valleyview Secondary	Kamloops
4	Nimisha Agarwal	Burnaby South Secondary	Burnaby
5	Sophia Li	Prince of Wales Secondary	Vancouver
6	Estelle Pu	Killarney Secondary	Vancouver
7	Saira Sidhu	Fraser Heights Secondary	Surrey
8	Andrew Zeng	Burnaby South Secondary	Burnaby
9	Mattias Wong	Pinetree Secondary	Coquitlam
10	Isabel Houang	Fraser Heights Secondary	Surrey
11	Bryan Guan	Point Grey Secondary	Vancouver
12	Claire Li	Fraser Heights Secondary	Surrey
13	Ajit Singh	Sullivan Heights Secondary	Surrey
14	Geon Woo Kim	Gleneagle Secondary	Coquitlam
15	Andy Hong	Burnaby South Secondary	Burnaby
16	Dillon Liu	Prince of Wales Secondary	Vancouver
17	Vincent Wong	Prince of Wales Secondary	Vancouver
18	Jay Botham	Prince of Wales Secondary	Vancouver
19	Euna Ao	Killarney Secondary	Vancouver
20	Meryam Ahmed	Steveston-London Secondary	Richmond

For placing first, Nick Liu also garnered a cash prize for his school, Fraser Heights Secondary.

CPABC thanks all of the students who participated in the 2021 competition. We hope to see you at other CPABC recruitment events and competitions in the future!

MEMBER RECOGNITION

Champion a Colleague!



Many CPAs make tremendous contributions to businesses, their communities, and the accounting profession, and we believe excellence deserves recognition. That's why, every year, CPABC asks CPAs to nominate peers for recognition in the following categories:

- Early Achievement;
- Distinguished Service;
- Fellowship; and
- Lifetime Achievement.

In doing so, CPABC is seeking to identify those members who are making sustained and significant contributions to their organization, the broader business community, charitable and community organizations, and the CPA profession. We're looking for members who dedicate themselves to going above and beyond the norm, and who set the standard for excellence. Every year, we profile our Member Recognition Program honourees in community and provincial press releases, social media campaigns, and *CPABC in Focus* magazine. These efforts help to ensure that the broader community is aware of the contributions CPABC members make to our province.

We encourage you to nominate a deserving peer! Program details and nomination forms are available at **bccpa.ca/member-services/recognition-program**.

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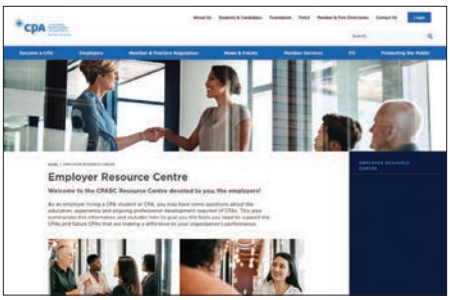
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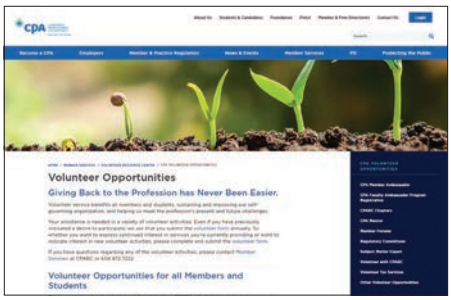
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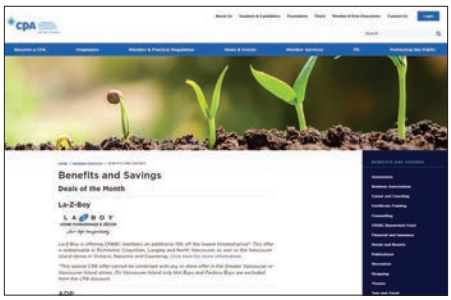
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Visit **bccpa.ca/benefits** and
select "CPABC Benevolent Fund" for details.

CPA CHARTERED PROFESSIONAL ACCOUNTANTS' BENEVOLENT FUND OF BRITISH COLUMBIA



Life in British Columbia

BC Check-Up: Live report looks at demographic and affordability trends across the province

By Aaron Aerts

CPABC recently launched its second report of 2021 and the third in its triannual series on the way British Columbians work, invest, and live.[1] *BC Check-Up: Live* focuses on the impact of travel restrictions during the COVID-19 pandemic—specifically, how these restrictions affected migration patterns and stunted BC's previously rapid population growth. The report also examines demographic trends, including how the average age of British Columbians continues to rise. Finally, it assesses housing affordability, highlighting the surging cost of residential real estate, the lag in housing supply, and the increasing disparity between family income and housing prices.

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Population growth slowed as the pandemic took its toll on immigration

Between 2017 and 2019, BC set record levels of annual population growth, with an average influx of more than 77,000 new residents a year. This growth was primarily due to the arrival of an increasingly large number of international immigrants, with a fairly even split between non-permanent residents and permanent residents. In fact, BC's population surpassed five million for the first time in 2018, up by more than 500,000 new residents compared to 2011.[2]

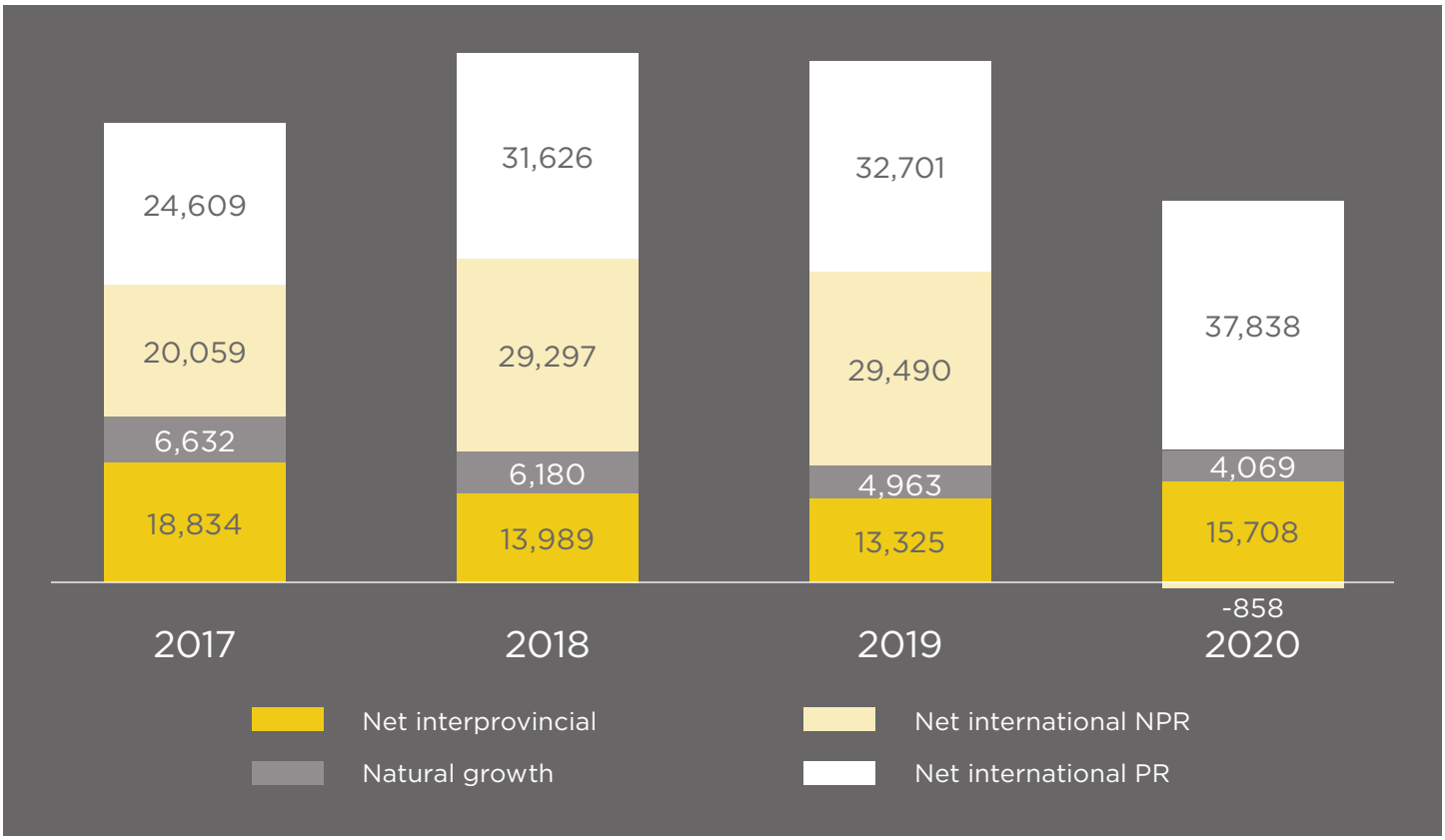
In 2019, the net number of international immigrants to the province exceeded 62,000 new residents, making up nearly 80% of the total population gain that year (see Figure 1). This trend of rapid growth was expected to continue in 2020, particularly as the federal government had set a target of welcoming a record 341,000 new permanent residents to offset Canada's aging population and slowing natural growth rate.

Unfortunately, like many other carefully planned policy objectives, these efforts were disrupted in early 2020 when the COVID-19 pandemic led to travel restrictions and economic uncertainty around the globe. The normal flow of international immigration slowed considerably and, as a result, Canada reached just over half of its 2020 target for new permanent residents across the country.[3]

Conversely, BC actually saw a modest *increase* in net interprovincial and international permanent resident immigration. However, we also saw a significant decline in the number of incoming non-permanent residents, as international students and temporary workers were particularly affected by travel restrictions and the closure of in-person educational facilities. In total, BC saw a net outflow of 858 non-permanent residents in 2020, a significant decline from the net *gain* of 29,490 non-permanent residents in 2019 (see Figure 1).

So while BC took less of a hit than other Canadian jurisdictions in terms of population growth in 2020, the province's overall gain of 56,757 new residents from all sources was still its lowest overall gain since 2011 and only approximately two-thirds of what we experienced in 2019.

Figure 1: Annual Population Change in BC by Type, 2017-2020



Source: Statistics Canada, Table 17-10-0140-01.

[1] The first instalment, *BC Check-Up: Work*, was featured in the November/December 2020 issue of *CPABC in Focus* (20-26), and the second instalment, *BC Check-Up: Invest*, was featured in the March/April 2021 issue (14-22).

[2] BC Stats, "Population Estimates," **gov.bc.ca**, accessed May 26, 2021.

[3] RBC Economics, "Canadian Immigration Interrupted: A Look Ahead into 2021," February 16, 2021, **rbc.com/economics/latestreports**.

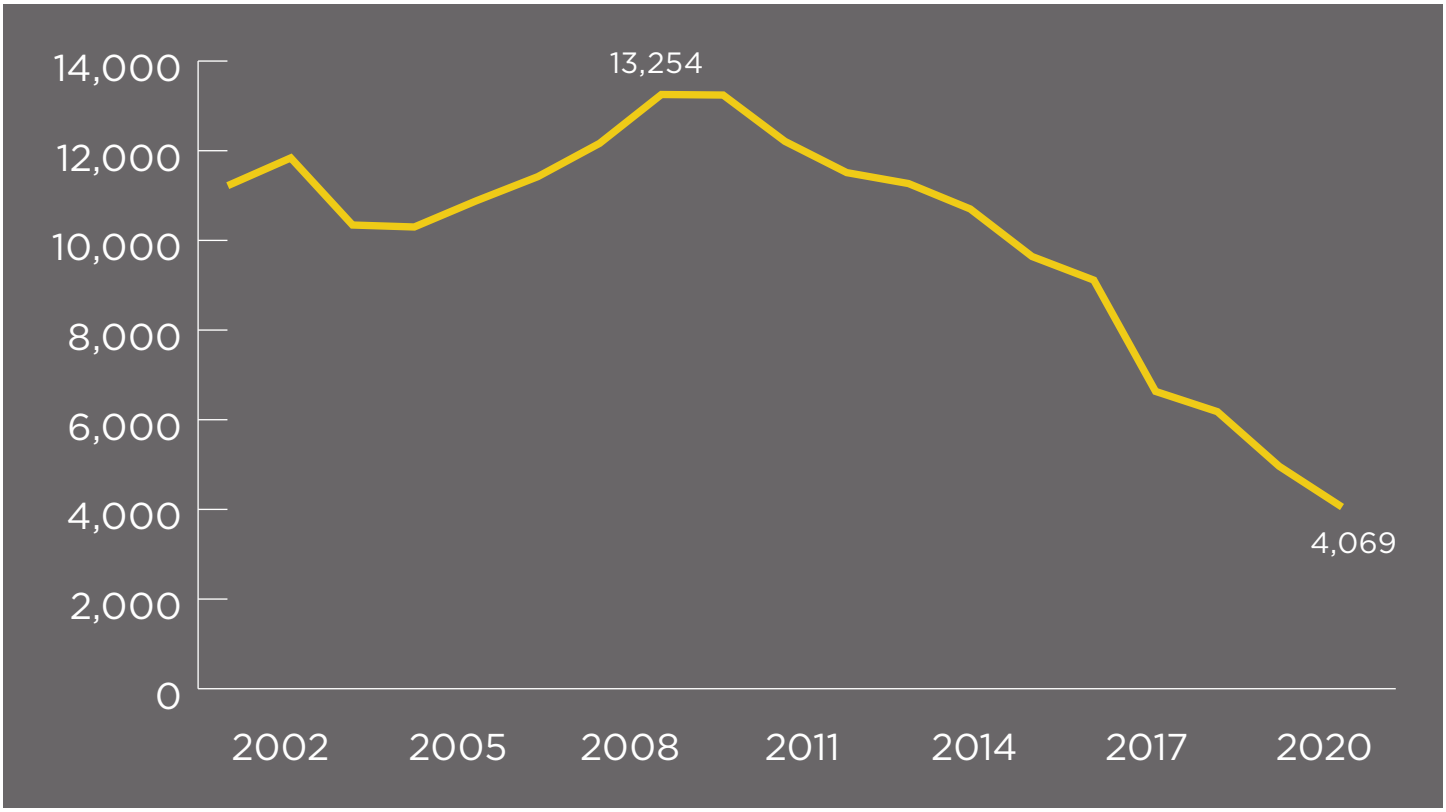
The good news is that the dip in population growth in 2020 is believed to be a one-off decline attributable to the COVID-19 pandemic, and strong population gains are anticipated for both BC and Canada in 2021 and onward. At the same time, however, BC's population growth is expected to become increasingly reliant on interprovincial and international immigration, as our population continues to age and our rate of natural growth continues to fall.

BC's natural growth rate continues to decline

The rate of natural growth—the number of births minus the number of deaths—has been declining in most Canadian jurisdictions in recent years, and BC is no exception.[4] In fact, a significant slowdown has been underway in this province since 2010.

In 2020, natural growth accounted for only 4,069 new residents—BC's lowest gain in at least 50 years and less than a third of the number set in 2010 (see Figure 2).[5] This decline is forecast to continue, and it's expected that annual deaths will eventually outnumber births, pushing the natural growth rate into negative numbers.[6]

Figure 2: BC Natural Growth, 2002-2020



Source: Statistics Canada, Table 17-10-0140-01.

Although this pattern of declining natural growth is consistent across the province, the situation varies considerably region to region. Three development regions—Southwest BC, Northeast BC, and Northwest BC—are still seeing positive natural growth, while the rest of the province is already in the negative range (see Table 1). Between 2011 and 2020, the Vancouver Island/Coast and Thompson-Okanagan development regions experienced the biggest declines in natural growth. Driving these declines is the fact that Victoria and Kelowna have the the lowest and second-lowest birth rates in the entire country, respectively.[7]

[4] The Associated Press, "Global Population Growth Slowing Due to Greater Longevity and Lower Fertility Rates," *CBC News*, June 17, 2019.

[5] Statistics Canada's data set only goes back to 1971.

[6] Statistics Canada, "Population Projections for Canada (2018 to 2068), Provinces, and Territories (2018 to 2043)," September 17, 2019. In the baseline scenarios, natural growth is forecast to become negative.

[7] Ron Seymour, "Kelowna Has Canada's Second-Lowest Fertility Rate," *Kelowna Daily Courier*, May 27, 2021.

Table 1: Natural Annual Population Growth by BC Development Region, 2011-2020

	2011	2016	2020	Net Change 2011 to 2020
British Columbia	**12,209**	**9,114**	**4,069**	**-8,140**
Vancouver Island/Coast	-521	-1,198	-2,406	-1,885
Thompson-Okanagan	-326	-799	-1,721	-1,395
Kootenay	-21	-208	-455	-434
Cariboo	586	239	-90	-676
*Northwest BC**	509	392	231	278
Northeast BC	646	685	508	-138
Southwest BC	11,336	10,003	8,002	-3,334

Source: Statistics Canada, Table 17-10-0140-01.
*Northwest BC consists of the Nechako and North Coast development regions. Data for these two regions has been combined here.

BC's population continues to age, but there are big regional differences

The population is getting older across Canada, including in BC. And while this trend is not at all new—the average age in Canada has been increasing since at least 1971—it has been picking up speed over the past 20 years.[8]

[8] Statistics Canada's data set only goes back to 1971.

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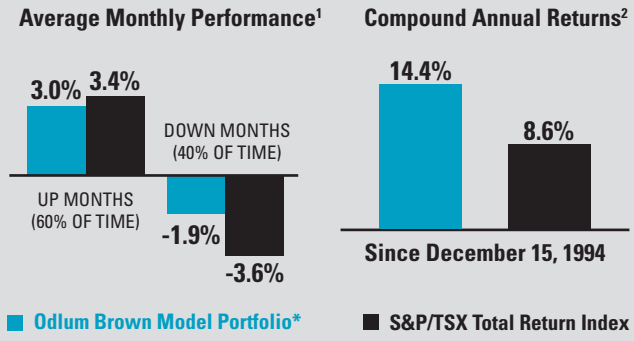
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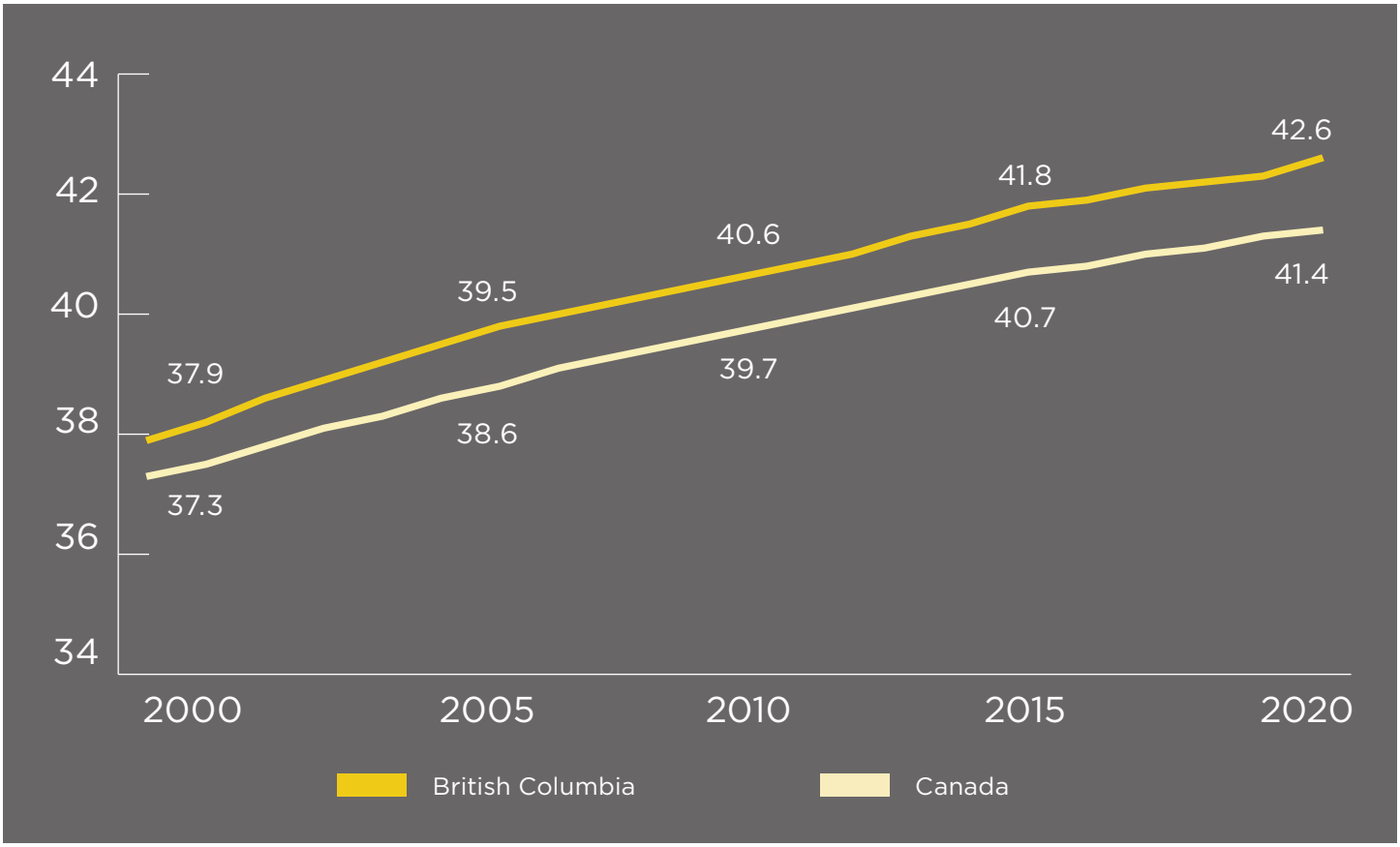
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Odlum Brown Model Portfolio: A Proven Track Record



¹Performance measured mid-month from December 1994 - May 2021. ²As of May 15, 2021. *The Odlum Brown Model Portfolio is an all-equity portfolio that was established by the Odlum Brown Equity Research Department on December 15, 1994 with a hypothetical investment of $250,000. It showcases how we believe individual security recommendations may be used within the context of a client portfolio. The Model also provides a basis with which to measure the quality of our advice and the effectiveness of our disciplined investment strategy. Trades are made using the closing price on the day a change is announced. Performance figures do not include any allowance for fees. Past performance is not indicative of future performance.

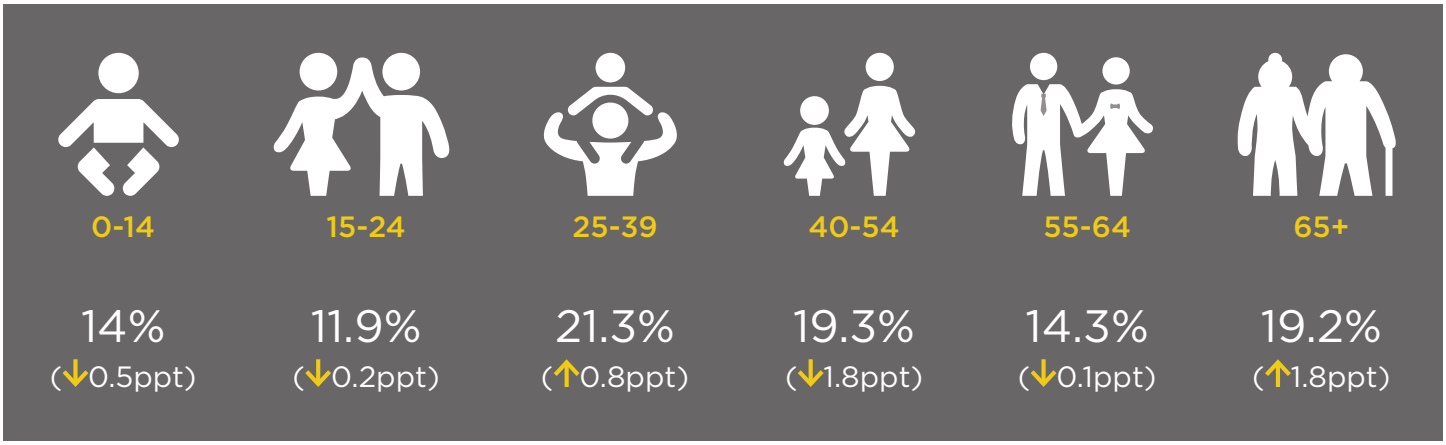
Figure 3: Average Age in BC and Canada, 2000-2020



Source: Statistics Canada, Table 17-10-0005-01.

As with population growth, the changes here have been driven, in large part, by BC's declining birth rate and the large number of aging baby boomers. Notably, the percentage of British Columbians aged 65 and over has increased more than any other age group over the past five years and accounted for nearly a fifth of BC's population in 2020 (see Figure 4).

Figure 4: BC Population Distribution by Age, 2020 (change from 2016)

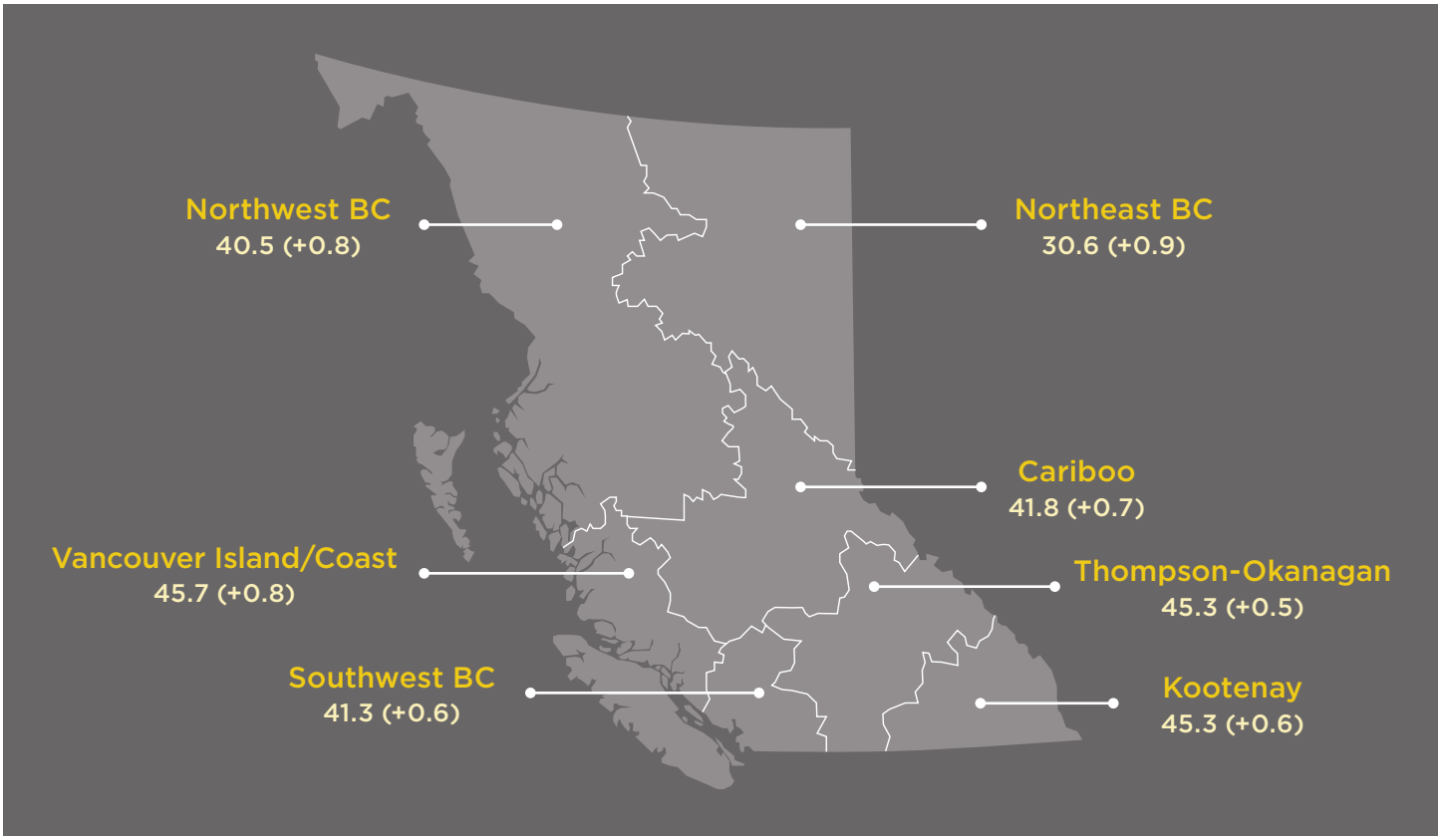


Source: Statistics Canada, Table 17-10-0137-01.

Millennials (those aged 25-39) were the only other group to see positive growth over the same period, and they now make up the largest percentage of BC's population, at 21.3%. By contrast, the two youngest age categories continued to decline as percentages of the total population, with those 24 and under making up just 25.9% of the population in 2020 compared to 31.2% in 2001.

Although every region has seen an increase in average age over the past five years, the average age varies significantly across the province (see Figure 5). Overall, Northeast BC has the youngest population, with an average age of just 36.6, while Vancouver Island/Coast is home to the oldest population, with an average age of 45.7.

Figure 5: BC Average Age by Development Region (change from 2016)



Source: Statistics Canada, Table 17-10-0137-01.

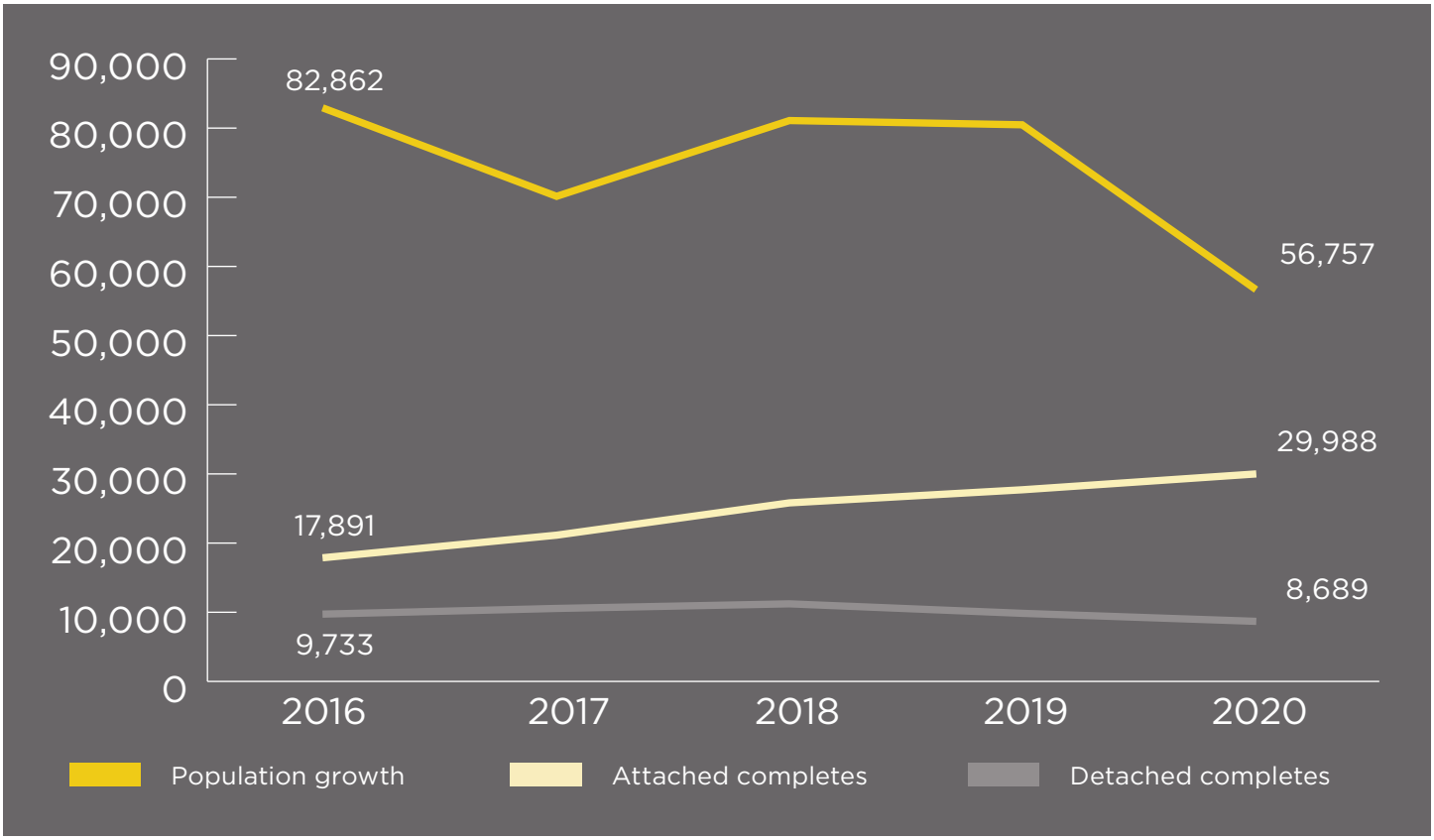
We could moderate the rising average age of our current population by attracting younger immigrants to the province and encouraging more British Columbians to start families, but we face a huge barrier in the record-high price of residential real estate across the province. While housing price increases have been driven by record levels of demand and low interest rates, prices have also been rising because supply hasn't kept up with demand.

Housing supply lags behind population growth

Many housing developments have been started and completed in BC over the past decade, but supply increases simply haven't kept up with the pace of population growth. Cumulatively, BC's population increased by more than 737,000 residents between 2010 and 2020, but only 316,510 residential housing units in total were completed over the same period—a rate considerably lower than one new unit per two new residents.

The slowdown in population growth during the pandemic helped to narrow the gap with new housing supply in 2020. Nearly 39,000 housing units were completed last year, amounting to a rate of approximately 0.7 units per new resident (see Figure 6 on page 18). This was well above the recent low of 0.3 units per new resident in 2016 and the rate of 0.5 units in 2019. However, the gap between housing demand and housing supply is expected to widen again as population gains return to pre-pandemic levels.

Figure 6: Population Growth versus Housing Units Completed, 2016-2020



Source: Statistics Canada, Table 17-10-0140-01 and Canada Mortgage and Housing Corporation, *Housing Market Data*.

There are two additional challenges to consider: We're not building enough larger, detached units, and many of the new builds are replacing older stock.

Increasingly over the past 20 years, the housing units developed in BC have been smaller, attached units such as condos, apartments, and townhomes. In fact, 77.5% of the new supply in 2020 consisted of attached units—a sharp increase from 58.4% in 2011 and 64.8% in 2016. Further, these attached units—particularly condos—have gotten smaller in recent years, making them increasingly unsuitable for families.[9] So while an increase in the number of attached units completed is encouraging, the correlative downtrend in detached units is problematic.

Moreover, focusing solely on the total number of housing units completed overlooks the fact that many of these units have replaced previously existing housing stock. For example, as urban centres like Metro Vancouver, Kelowna, and Victoria continue to densify, more and more old housing stock is being replaced with larger developments. And although the result is a net increase in housing supply, the above completion data overstates the increase because it doesn't reflect the loss of the previous units.

Even amid the COVID-19 pandemic, housing prices continue to soar

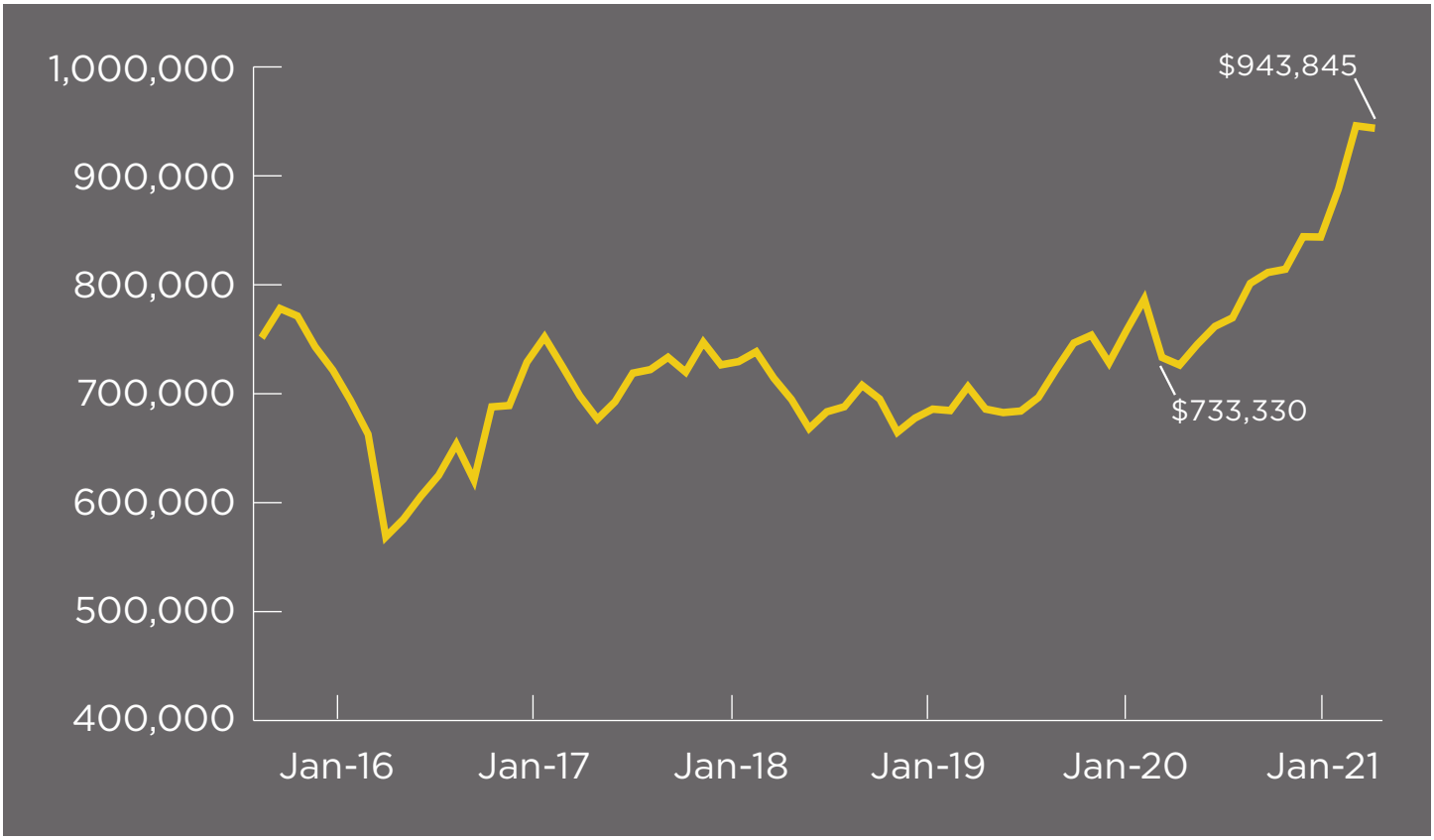
After years of rapid growth, BC's real estate prices began to stabilize in the years directly preceding the COVID-19 pandemic. However, that trend quickly reversed in the latter half of 2020 as more homebuyers—many working from home—sought additional living space and set their sights on larger, detached homes.

This surge in demand coupled with record-low interest rates increased the number of residential home sales significantly. In fact, in March 2021, home sales in both BC and Canada reached the highest levels ever recorded.[10] This led to new record-breaking prices for housing across much of the country, including BC. In fact, by April 2021, the average price of houses sold in BC was $943,845, up by over $200,000 from the average in April 2020 (see Figure 7). This dramatic increase was driven, in large part, by a surging demand for detached units, which are typically more expensive.

[9] Murtaza Haider and Stephen Moranis, Haider-Moranis Bulletin, "Shrinking Condos, Growing Houses: Why Homebuilders Are Increasingly Going to Extremes," *Financial Post*, September 11, 2019.

[10] Canadian Real Estate Association, "Housing Market Moderates in April Compared to March," **creastats.crea.ca**, accessed May 30, 2021.

Figure 7: Average Price of Houses Sold in BC, 2016-2021



Source: Canadian Real Estate Association. Based on the average price of houses sold in BC each month.

The rapid escalation in prices—particularly for larger detached homes—affected every part of the province, as many would-be buyers found themselves priced out of the Metro Vancouver market (see Table 2 on page 20).[11]

[11] Mike Lloyd, "Metro Vancouver Home Sales up Despite Buyers Looking Outside Region: Real Estate Group," *News1130*, December 2, 2020.

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Table 2: Benchmark Price of Residential Real Estate Sold in April 2021

	Vancouver Island	Lower Mainland	Okanagan Valley	Greater Victoria
Single family home	$661,100	$1,565,300	$756,200	$894,700
% change from April 2020	22.2%	24.9%	29.4%	15.8%
Apartment	$343,800	$694,200	$407,000	$533,100
% change from April 2020	13.6%	6.6%	12.6%	3.7%

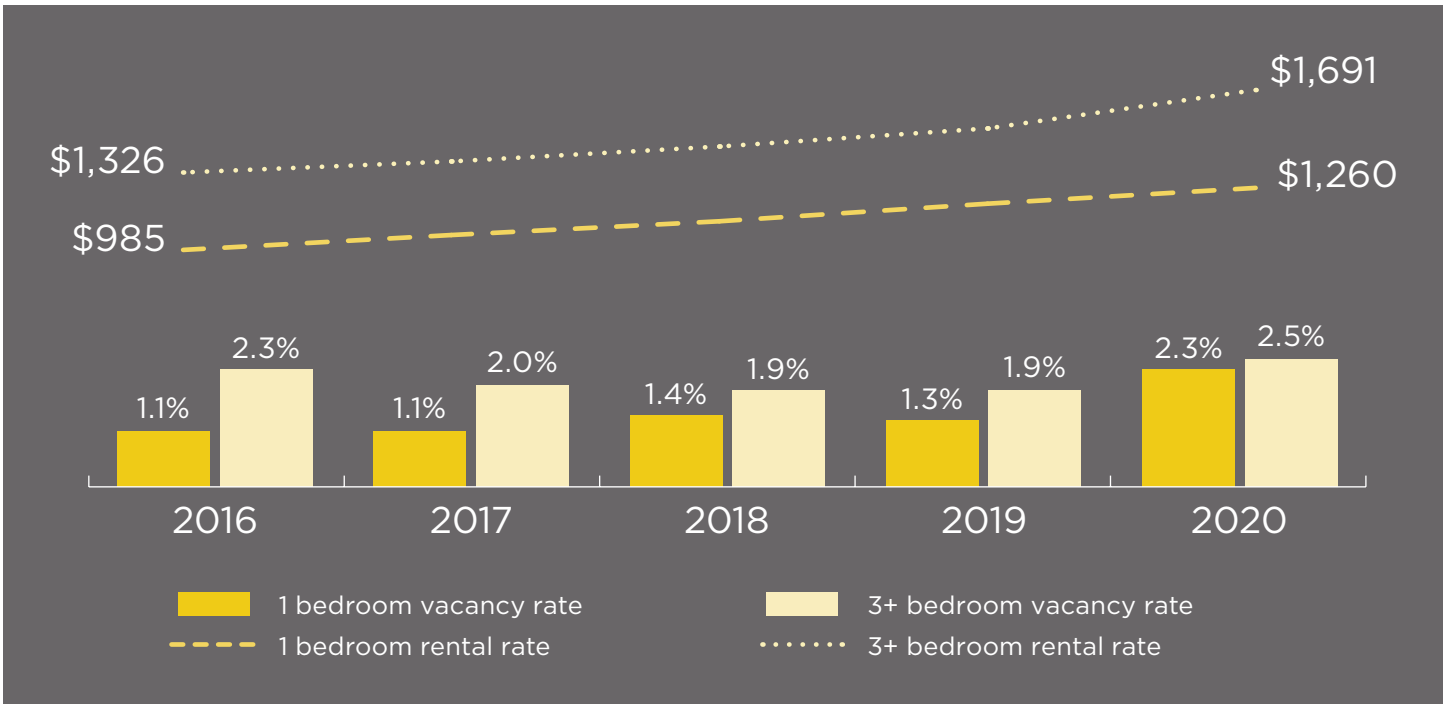
Source: Canadian Real Estate Association, *MLS® Home Price Index*.

Concerned about the unintended consequences of ballooning housing prices across Canada—including a reduction in entrepreneurship due to rising consumer debt—several prominent institutions, including the big banks,[12] have urged the federal government to introduce measures to cool the hot housing market.[13]

BC rental rates have increased by more than 25% over the past five years

Like homeowners, renters are also dealing with a significant uptick in costs. Despite a provincial order restricting rent increases for tenants in both 2020 and 2021, prices for rental units—particularly larger units—jumped significantly across BC in 2020.[14] The average rental price for a three+-bedroom unit in BC was $1,691 a month in 2020, up 11.2% from 2019 and 27.5% from 2016, while the average rental price for a one-bedroom unit was $1,260 a month, up 5.9% from 2019 and 27.9% from 2016 (see Figure 8). And while rental rates are highest in Greater Vancouver—where the average three-bedroom unit cost $2,063 a month in 2020—prices are rising dramatically in every region in the province.

Figure 8: Average Rental and Vacancy Rates, 2016-2020



Source: Canada Mortgage and Housing Corporation, *Rental Market Survey*.

Median income has not kept pace with rising costs

In 2019, BC families earned a median income of $90,100, up 3.6% from 2016, while single individuals earned a median income of $32,200, up 7.0% from 2016.[15] Not only is the growth in median incomes (especially for families) considerably lower than the increase in housing prices—it also lags behind overall inflation, which increased by 7.4% between 2016 and 2019.[16]

And while no income data for 2020 is available at the time of this writing in early June, it's reasonable to assume that the recession stemming from the COVID-19 pandemic has put additional downward pressure on incomes. Canadian GDP, adjusted for inflation, fell by a staggering 5.4% in 2020, and while it's true that the country is currently experiencing a robust economic recovery, GDP levels are not expected to return to pre-pandemic levels until late 2021 or early 2022.[17]



[12] Robert Hogue, "Hot Canadian Housing Markets Call for a Policy Response," *RBC Economics*, March 24, 2021, **rbc.com**.

[13] Scott Stirrett, "Canada's Ballooning Mortgage Debts Could Put a Dangerous Dent in Entrepreneurship," *Globe and Mail*, May 30, 2021.

[14] "BC to Extend Rent Freeze to End of 2021, Increase Protections Against 'Renovictions,'" March 1, 2021, **cbc.ca/news**.

[15] At the time of this writing, the most recent income data available is for 2019 (released in March 2021). Median income here is defined as income net of tax and government transfers. Family income is defined as income earned by an "economic family" (two or more persons who live in the same dwelling and are related to each other by blood, marriage, common-law, adoption, or a foster relationship). Individual income is defined as income earned by a person who is not in an economic family and is living either alone or with others who are unrelated (such as roommates or a lodger).

[16] BC Stats, "Consumer Price Index," **gov.bc.ca**, accessed May 26, 2021.

[17] Per CPABC's Economic Dashboard, accessed May 26, 2021. The Economic Dashboard is updated monthly at **bccpa.ca/newsroom**.

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In addition, provincial and federal governments incurred significant debt to support Canadians through the pandemic, and this will limit their ability to provide additional income supports or reduce taxes going forward.

Looking ahead: Attracting immigrants should be a key focus

Although population growth slowed in 2020, BC sits in a relatively good position because its ability to attract both interprovincial and international migrants has led to robust growth over the past decade. Still, as growth from within the province continues to decline, it will be increasingly important to attract new workers—particularly younger ones—to BC.

For example, the provincial and federal governments should expand measures that provide young international students with a pathway to permanent residency, such as the two new immigration streams introduced in June for Hong Kong residents who have recently graduated from a post-secondary institution in BC.[18]

At the same time, the province needs to address the rapid escalation of housing prices, which has been exacerbated by a slower-than-necessary growth in housing supply. Exorbitant prices are a key barrier for immigrants, out-of-province migrants, and locals alike.

Going forward, governments at all levels should work with the private and non-profit sectors to find ways to expedite housing supply growth. It will also be important to ensure that future housing developments match the type of housing demanded and that there's an adequate supply of rental and subsidized housing available for those priced out of home ownership. This is especially important because growth in family income has lagged behind housing price increases over the past several years, making already significant affordability challenges worse.

Lastly, as we look to BC's economic recovery, there is an opportunity to consider ways to improve our economic outlook and growth. For example, the employment disruption resulting from the COVID-19 pandemic provides an opportunity to reskill displaced workers and pivot them toward emerging industries, particularly ones that can boost their income and our province's productivity. ■

Aaron Aerts is CPABC's economist.

[18] Sarah Wu, "Feds Launch 2 New Immigration Pathways to Canada for Hong Kongers," June 8, 2021, **globalnews.ca**.



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Highlights from CPABC's BC Check-Up: Live Survey

CPABC's *BC Check-Up* survey is conducted three times a year to measure members' perception of BC as a place in which to work, invest, and live. More than 750 CPABC members responded to the most recent survey, *BC Check-Up: Live*, which was conducted in March and April 2021. We asked them for their thoughts on the economy and the housing market, and here's what they told us:

On BC's economic outlook:

- 69% of respondents said they expect BC's economic performance to be "average" or "good" in 2021. This is a 21-percentage-point increase over the results of the *BC Check-Up: Work* survey, which was conducted in July 2020.
- Respondents are slightly more confident about the economic outlook for BC than for Canada as a whole, with 61% saying they think the Canadian economy will be "average" or "good" in 2021.
- 86% of respondents said they're optimistic about their organization's economic prospects in 2021—a considerable improvement over the 53% who expressed confidence in July 2020.

On BC's housing market:

- 80% of respondents said they expect housing affordability to worsen in their region in 2021. Concern is greatest in the Vancouver Island/Coast region, where 87% expect affordability challenges to intensify.
- After not even making the top three in 2020 (an anomaly likely attributable to the pandemic), rising housing prices were once again identified as BC's top economic challenge. Consumer debt ranked second, and shortage of labour ranked third.
- The majority of respondents believe more needs to be done to tackle housing affordability challenges, with over half saying the municipal (58%), provincial (55%), and federal (53%) governments have done a "poor" job so far.

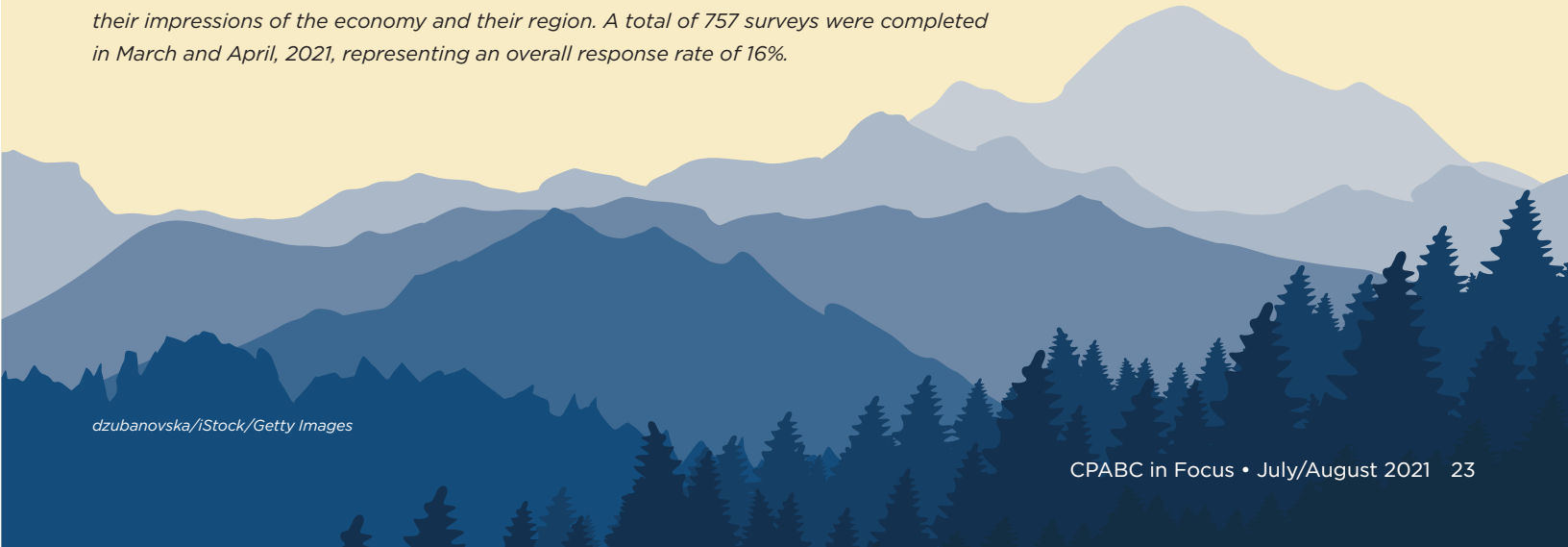
Survey demographics

Who are they?
757 CPABC members

Where are they from?*
Mainland/Southwest BC: 67%
Vancouver Island/Coast: 17%
Thompson-Okanagan: 8%
Rest of BC/outside BC: 7%

** Percentages do not sum to 100 due to rounding.*

CPABC commissioned Leger Marketing to conduct a web-based survey of CPA members about their impressions of the economy and their region. A total of 757 surveys were completed in March and April, 2021, representing an overall response rate of 16%.



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CPABC Regulatory Report to the Public

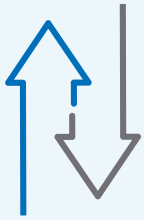
CPABC's *Regulatory Report to the Public* outlines the initiatives and resources implemented by the organization to ensure that BC CPAs adhere to professional and ethical standards as part of our commitment to protecting the public. Here is a snapshot of this year's report. To view the full report, visit **bccpa.ca/protecting-the-public**.

CPABC member count:



2021: **37,999**
2020: **37,317**
2019: **36,652**
2018: **35,831**
2017: **34,996**

New members admitted



During the fiscal year: **1,546** new members were admitted into the profession, and **864** members left the profession.

Members in industry



In BC, **many** members in industry work in small or medium-sized businesses where they are often the only designated accountant.

Student number count:



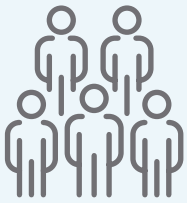
2021: **6,198**
2020: **5,777**
2019: **5,381**
2018: **5,140**
2017: **4,960**

Graduation rates



Over the past four years, an average of **800** BC students graduated annually from the CPA or legacy programs.

Licensed practitioner count:



2021: **4,126**
2020: **4,081**
2019: **4,008**
2018: **3,802**
2017: **3,664**

Regulation of public practice

Approximately **18.5%** of CPABC's members work in public practice. The majority of practitioners work in small businesses, where **98.2%** of firms are owned by fewer than five professional accountants.

Registered office count:



2021: **2,800**
2020: **2,753**
2019: **2,730**
2018: **2,592**
2017: **2,490**

Practice reviews

Sanctions may be imposed in cases where there are more serious issues. There were **944** practice reviews conducted this past year. This number includes **49** re-inspections that were undertaken in situations where standards had not been met.

Pass/fail rate for practice reviews:



95%
2020-2021

94%
2019-2020

for Fiscal Year 2020/2021

Continuing Professional Development (CPD) self-reporting and CPABC verification

Action is taken against members who do not comply with the requirements. This action can result in suspension or cancellation of membership.

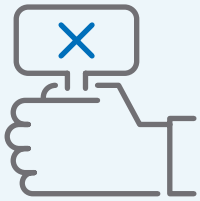


Members who did not comply with the CPD verification process risked being referred to the CPABC investigation and discipline processes.



Cancelled memberships due to non-compliance with CPD:

2021: **41**
2020: **32**
2019: **64**
2018: **26**
2017: **38**



During the year ended March 31, 2021:
262 members had their memberships suspended for CPD non-compliance.
41 of these suspended members had their memberships cancelled.

Investigation & discipline process

CPABC investigated complaints received about members, firms, and students. Where breaches of the bylaws or rules were found, the resolutions typically included a reprimand and remedial education to protect the public from a repeat of the misconduct. In rare instances, there was a suspension or cancellation of membership.



- **151*** total active complaints in 2020-2021
- **36** under review
- **63** complaints dismissed/not accepted
- **52** investigations authorized

*Active complaints include new complaints and complaints carried over from the previous year.

New complaints received:

2021: **128**
2020: **103**
2019: **119**
2018: **130**
2017: **115**



Investigations closed:

2021: **60**
2020: **53**
2019: **47**
2018: **54**
2017: **32**

- **17** no grounds
- **8** not pursued
- **26** resolutions – D&R*
- **9** referred to the Disciplinary Committee

*Determination and Recommendation Agreement

Complaints dismissed/ not accepted:

2021: **63**
2020: **44**
2019: **50**
2018: **54**
2017: **45**

Disciplinary Committee activities:

6 resolution agreements
4 outcomes pending
1 disciplinary panel decision

Total disciplinary cases resolved:

2021: **12**
2020: **12**
2019: **15**
2018: **10**
2017: **16**



Identifying and Managing Conflicts of Interest – A Refresher

From CPABC's Professional Conduct Team

Before providing a professional service to a client or employer, every CPA must consider the potential for conflicts of interest. Identifying real or perceived conflicts—and taking the steps to manage them—is essential to maintaining the profession's reputation and the public's trust.

The *CPABC Code of Professional Conduct* (CPA Code) provides registrants[1] with extensive guidance on this topic. In this article, we review the major points in the CPA Code, discuss potential pitfalls to avoid, and share a few cautionary tales.

What is the rule?

The preamble to the CPA Code emphasizes the fact that objectivity is a fundamental principle governing a registrant's conduct. It states that registrants must "… not allow their professional or business judgment to be compromised by bias, conflict of interest or the undue influence of others."

Rule 210 of the CPA Code (Conflicts of interest) states that registrants must not undertake or continue to provide professional services to any client or employer when there is a conflict of interest between the interests of:

- The registrant and the client or employer;
- Two or more clients or employers; or
- The client or employer and a third party, where the interest of the third party and the registrant are aligned.

Managing conflicts of interest

Identifying conflicts of interest is the first step in managing them appropriately, so registrants should have an effective process in place to help them recognize potential conflicts—one that includes guidance on:

- Client acceptance and continuance;
- Managing situations of potential conflict; and
- Staff assignments.

As a registrant, you must decide whether there's a conflict of interest before undertaking or continuing to provide professional services. If there *is* a conflict of interest, you must first decide whether to end the engagement/relationship or pursue it and take steps to manage the conflict of interest.

You must decline to provide, or withdraw from providing, the services in question *unless* you take specific measures. These include:

- Informing each affected party of the conflict of interest;
- Obtaining each party's consent to accept or continue with the services despite the conflict of interest;
- Comprehensively documenting the nature of the services and the techniques you intend to use to manage the conflict of interest;
- Establishing appropriate organizational structures, policies, and staffing. For example, an organization may use blanket or engagement-specific confidentiality agreements to be signed by all personnel, and ensure that specific staff and partner assignments do not conflict where clients having competing interests; and
- Setting up organizational firewalls. An organization can set up firewalls to restrict the flow of information and ensure that confidential information is not shared inappropriately.

Rule 210 provides extensive guidance on this topic. For example, in the guidance to Rule 210 (F32), the CPA Code states: "A fundamental underpinning to the management of conflicts of interest involves consent by the parties to whom professional services are provided. Unless the conflict of interest is one that reflects commonly accepted practice such that each affected party's agreement can be inferred from that party's conduct, consent should be obtained by:

- Notifying each affected party of the existence of such a conflict; and
- Either obtaining the agreement from each affected party to proceed in spite of the conflict or declining to provide or terminating the professional service giving rise to the conflict."

Additionally, the CPA Code maintains: "The onus is on the registrant to be able to demonstrate that consent has been obtained" (F33).

When identifying conflicts of interest, registrants should also refer to Rule 206 (Compliance with professional standards), which requires compliance with generally accepted standards of practice, and Rule 207 (Unauthorized benefits), which prohibits registrants from obtaining unauthorized benefits.

Do you need guidance?

The guidance in the CPA Code is designed to help you understand how the rules should be applied. CPABC's professional standards advisors are also here to help. You can consult them for confidential guidance to ensure that you stay compliant with the CPA Code when navigating difficult situations.

Contact our advisors:

- Email: **professionaladvisory@bccpa.ca**.
- Telephone: 1-800-663-2677 (toll-free).

[1] As used in the *CPABC Code of Professional Conduct*, "registrants" refers to members, students (candidates in the CPA Professional Education Program), and registered firms. The CPA Code does not apply to students enrolled in the CPA preparatory courses.

Areas of greatest risk

The guidance to Rule 210 (B5) indicates that there are three main scenarios in which conflicts of interest tend to arise for registrants who work in public practice:

- ***Pursuing clients' interests*** – Registrants are obliged to provide professional services with integrity, due care, and objectivity, as per Rule 202 (Integrity, due care, and objectivity). So what happens when the interests of two or more clients conflict? In such cases, the registrant(s) has to determine how best to fulfil their obligations to each client.
- ***Protecting confidential information*** – Registrants must keep each client's information confidential, as per Rule 208 (Confidentiality of information). This may require extra vigilance when dealing with clients who have competing interests.
- ***Maintaining independence in assurance or insolvency situations*** – As required by Rule 204 (Independence), any registrant who provides assurance and/or insolvency services must do so objectively. If, in the process of providing these services to one client, the registrant learns something of material importance to another, the registrant can neither share the information nor feign ignorance. This may create an unresolvable conflict of interest, and in such cases, the registrant should decline one or both assignments.

Conflicts of interest can also arise outside of public practice, where no clients are involved. For example, if a registrant has a financial interest in their employer's transaction and has an opportunity to influence information or decisions for financial gain, there is a conflict of interest. The CPA Code provides additional examples, including:

- A registrant serving in a management position for two employers and acquiring confidential information from one employer that could be used to the advantage or disadvantage of the other; and
- A registrant selecting a vendor for their employer when an immediate family member could benefit financially from this transaction.

What about *perceived* conflicts of interest?

If a registrant's private interests appear (to a reasonable person in possession of all relevant facts) to conflict with their professional responsibilities or obligations, there can be a perceived conflict of interest where none actually exists.

While perceived conflicts of interest are not specifically prohibited by Rule 210, registrants should remember that:

- Rule 201.1 (Maintenance of the good reputation of the profession) requires that registrants always act in a manner that upholds the good reputation of the profession and protects the public interest; and
- Rule 204 (Independence) addresses perceived threats to a registrant's independence in several situations.

Moreover, where there is a *perceived* conflict of interest there is often an *actual* conflict of interest.

The consequences of misconduct

CPABC does not receive many complaints about conflicts of interest, which is a positive sign that registrants take their responsibilities seriously. However, failing to appropriately manage a conflict of interest can have life-changing consequences for a registrant, and it undermines the public's confidence in the profession. So although the cases are rare, they bear consideration. In particular, the following three cases considered by CPABC's Investigation Committee warrant mention:

1 A member who was the director of finance for an organization also acted as the accountant for a partnership in which the organization had an interest ("the partner"). Without the knowledge or authorization of the organization's board of directors, the member obtained a personal loan from the partner and had an option to acquire a financial interest in the partner. The organization complained to CPABC that the member was in a conflict of interest due to their dealings with the partner, and the Investigation Committee subsequently made a determination that included a reprimand, a fine, and payment of the investigation's expenses. The member agreed to the determination.

2 A member who was the CFO of a firm began an undisclosed personal relationship with a person they supervised, including approving payments to them. This relationship placed the CFO in a clear conflict of interest, and the employer complained to CPABC. The member's employment was terminated by their employer, and the member accepted a reprimand from the Investigation Committee.

3 A member provided free accounting and business management services to a family member and a close family friend who were partners in a business. The member made certain decisions about the nature and timing of payments to the partners and third parties that sparked disagreements and a complaint. In this case, the Investigation Committee determined that the member did not approach the engagement with sufficient formality to prevent, mitigate, or resolve these disagreements. In this instance, the Investigation Committee did not find that the member had breached Rule 210 (Conflicts of interest) but did determine that the member had breached both Rule 201.1 (Maintenance of the good reputation of the profession) and Rule 202.1 (Integrity and due care). The member accepted a reprimand from the Investigation Committee.

Penalties assessed through CPABC's investigation and disciplinary process vary depending on the unique circumstances of each case; however, as the situations described in this article demonstrate, penalties may include fines and the costs of the investigation (which often exceed the fines). In serious cases, the Investigation Committee may refer the matter to CPABC's Disciplinary Committee, which may find that suspension or cancellation of membership is appropriate under the circumstances. ■

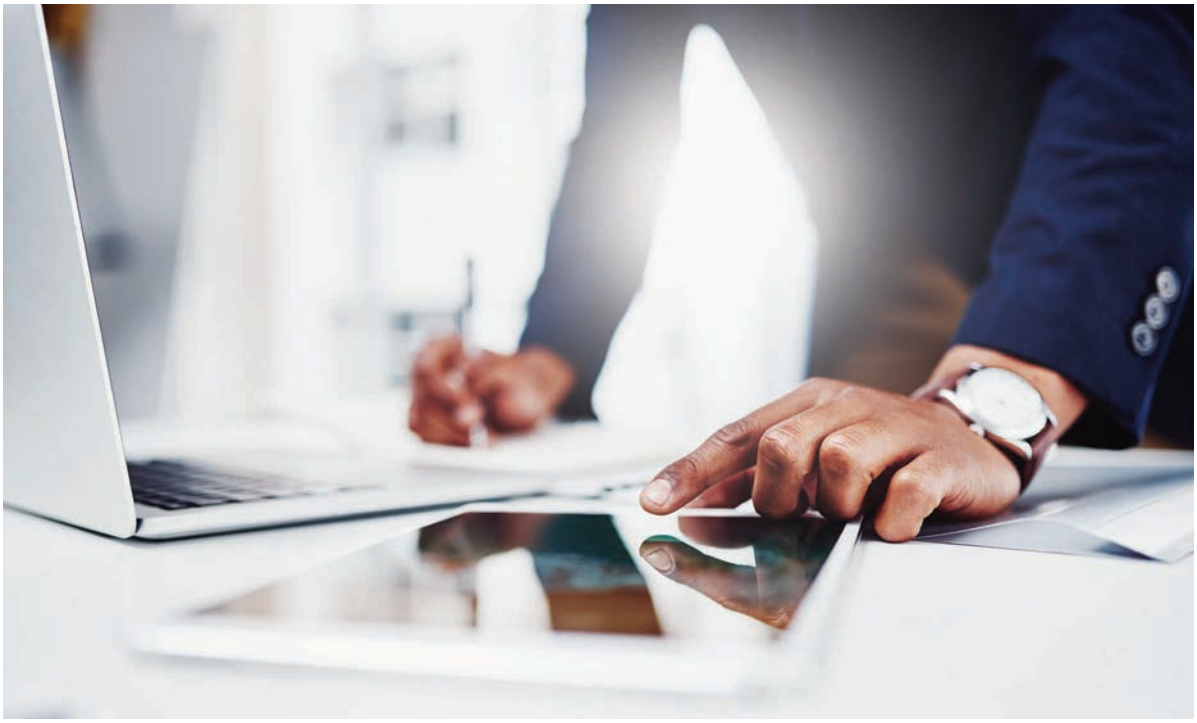


Ann Gomez is the founding president of Clear Concept Inc., a global training organization. She's passionate about helping people do their best work at all stages of their careers and offers compelling and practical insights on productivity, collaboration, and mindset. Photo by Justine Apple Photography.

Too Many Distractions? Try These Techniques to Streamline Your Workday and Boost Your Productivity

By Ann Gomez

Learn more from Ann Gomez by attending CPABC's PD Nexus: Work/Life Balance Insights virtual conference on July 27, where she will be presenting the plenary session, "The Prioritization Crisis" and the breakout session, "Digital and Physical Organization." You can also find more content from Ann in the CPABC Newsroom, including video clips and a podcast interview. Visit bccpa.ca/newsroom for details.



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Do you feel like you're pulled in too many directions at work? Or that you don't have enough time to deal with all of the requests and interruptions that come your way? Competing demands, interruptions, unexpected issues, email volume—these challenges all have a way of consuming your time and decreasing your productivity. Fortunately, there are techniques you can use to protect your time and work more efficiently.

Focus on three core priorities

If there's a common theme among busy professionals, it's that we're trying to do too many things at once. Multitasking simply doesn't work—the research is clear on this.[1] It only dilutes our efforts and increases our anxiety. By contrast, when we focus on one thing at a time, we work much faster, produce better-quality work, and experience less stress.

From my work coaching professionals and executives, I know that *three* is the magic number of priorities we can focus on at any one time. Yes, we also have supporting tasks that demand our attention (best addressed during breaks between work on our core priorities), but everything else is either a distracting task or a future priority.

[1] Cleveland Clinic, "Why Multitasking Doesn't Work," **health.clevelandclinic.org**, March 10, 2021.

> "... one study found that 44% of all interruptions were self-imposed."

When defining your core priorities, think about your most important goals. If you were to reach three milestones this year, what would you celebrate? Your core priorities may centre on your clients, your team, product launches, process upgrades, technology implementation—you name it.

Any other meeting, brainstorming session, conversation, or email related to a future opportunity will take you away from your three core priorities, so be sure to manage expectations (yours and everyone else's) and defer and delegate as needed.

Manage distractions and interruptions

Distractions and interruptions can really sabotage our workdays. The first step to minimizing them is recognizing them. When asked about distractions and interruptions, most people point to emails, texts, phone calls, and coworkers—all external sources—but one study found that 44% of all interruptions were self-imposed.[2] Consider how often you interrupt yourself during the day by switching to another task, whether that means looking at email, remembering something to add to your to-do list, or grabbing a coffee. Are you your own worst enemy?

That doesn't mean you should never shift gears during the day. Rather, when you sit down to work on a task, identify these three factors first: 1) your goal, 2) the amount of time you're allocating to it, and 3) the reward for getting it done. The reward could be anything—it could even be checking your email, because that is a *huge* source of temptation throughout the day (more on this later).

[2] Karen Tiber Leland, "You Could Be Your Own Biggest Interruption. Here's How to Stop and Find Your Focus," **inc.com**, August 12, 2019. The study in question dates to 2008, but given the accelerated pace of work over the last 13 years, it's reasonable to think that self-interrupting behaviours due to multitasking have not only continued but increased.

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Maintain a buffer to deal with the unexpected

Unexpected events can really throw off your day, especially when they force you to switch priorities. However, distinguishing between unexpected events and *unknown* events can help you use your time more effectively.

We all receive requests throughout the day that require our attention. And while we can't predict the exact nature or number of requests we'll receive, we *can* budget time in the day to address these unknowns. Let's say, for example, that you need roughly three hours a day to respond to any incoming requests. Plan accordingly, and you'll have the remaining time available to strategize, have meetings, work on specific projects, and so on.

Even if you're careful to build time into your day to respond to other issues or tasks that may arise, an unexpected event can still derail your plans. When this happens, you can apply what I like to call the "simplify filter." Consider everything on your to-do list for the day and ask yourself:

- How can I streamline?
- How can I scale back?
- How can I seek help?

This same approach is also incredibly useful when your to-do list is simply too long.

> You can't predict everything that's going to happen, but you *can* build time into your day to deal with the unknown and the unexpected.

Take control of email

Email is a powerful tool that can make life easier, but it can also consume your day if you let it. The good news is that the following simple habits can help you master your inbox (see facing page for more tips):

Dedicate time

Don't have email open all day long. Instead, tackle email in batches between your other work. Aim for timely, not instantaneous, responses. You'll still be accessible, but you'll also be able to protect time for other important work. If someone needs you urgently, they'll call.

Do it now

Commit to reading an email, whether it be on your phone or computer, *only if* you are prepared to act on it. This could involve responding to the email, or delegating, filing, or deleting it. Eliminate the redundancy of having to read an email twice.

Defer as appropriate

Stop treating your inbox like your to-do list. If there is a big task that will require a lot of your time, add it to your to-do list. Let the other person know that you've received their request and will get them what they need by a specific date. Then file that email in a folder or your archives and get it out of your inbox. Don't just leave the email in your inbox—that's how your inbox can quickly become cluttered.

Work smarter

There's no doubt that work can be hectic and task loads can be challenging. By being protective of our time and planning how to use it effectively, we can mitigate distractions, reduce our stress levels, and increase our productivity. ■

Become an email warrior

When your inbox continues to grow, despite your best efforts to whittle it down, you may need to focus on reducing the incoming volume. After all, email is not meant to *be* our work—it's meant to be *how we get work done*. Thankfully, there are 10 simple but effective ways to reduce email volume, take control of your inbox, and leave some room in the day for inspiration:

1. **Avoid email conversations**
   Email conversations are both common and inefficient. Email is designed to transfer information, not discuss complex and charged topics. Conversing via email also perpetuates the flawed expectation that we should be online at all times. We don't want to ignore people who are trying to connect with us, but this constant stream of email prevents us from protecting blocks of time for focused work. Use the *rule of three* to help you gauge when you're slipping into a conversation. As soon as an email bounces back and forth three times, it's time to pick up the phone or schedule a virtual meeting.

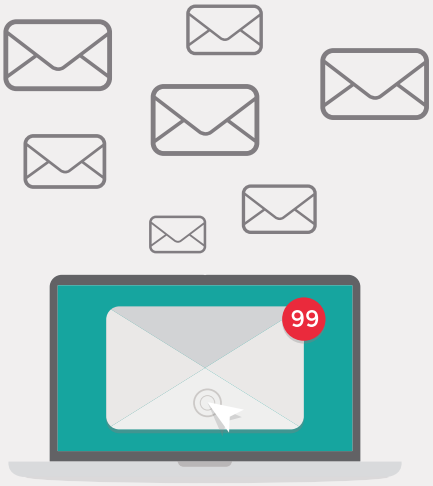
2. **Cut back on ccs**
   One of the biggest pet peeves people have regarding email is being needlessly copied on message threads. There are better ways to stay updated. Schedule regular status meetings and establish clear expectations about who is doing what. Foster trust among your colleagues and encourage them *not* to copy you simply to let you know something was completed (it's the equivalent of saying, "Look! I did what I said I was going to do!").

3. **Focus on fewer projects at a time**
   Every project we work on has associated emails, so the more projects we have on the go, the more emails we receive and the less we accomplish. Focus on completing your top three core priority projects (see page 28) before moving on to the rest. This will enable you to tackle more projects over the long term and better manage your email—and your time.

4. **Delegate more work**
   If you have too much on your plate and nothing can be deferred, invest in training someone to help (when possible). You will still need to be involved but to a lesser extent.

5. **Use the one-touch principle**
   Avoid reading each email multiple times—it adds redundancy to your day, clogs your inbox, delays responses, and leads to additional followup emails. Focus instead on processing your email sequentially, in batches, and commit to reading any message only once—in other words, any time you read an email, be prepared to act on it.

6. **Set up email rules**
   Did you know you can use rules to automatically filter and route specific types of email into folders so you can process them in batches later? For example, you can filter email by sender name or subject line. A nice trick is to automatically route any emails you blind-copy yourself on into a "followup" folder. A word of caution, however: These rules are only helpful if you're disciplined about checking the associated folders!



7. **Hold regular one-on-one meetings**
   Meet regularly with each of your team members. If you don't carve out this dedicated time for them, they will have no choice but to email you more often. Encourage them to save their questions and updates for your one-on-one meetings unless urgent.

8. **Avoid micromanaging**
   Challenge your team to identify solutions and come to you only as a sounding board. Leave the ball in their court more often, and you'll find you get fewer emails.

9. **Make use of internal sharing sites**
   Common documents are often emailed back and forth between team members. This adds to inbox overload and can create confusion as to which version of a document is the most current. It is much more efficient to save these documents to a central site that's accessible to all relevant team members.

10. **Unsubscribe**
    We need to question the value we're getting from all of our subscriptions. If you find yourself consistently hitting "delete," simply unsubscribe.

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Queenie Wong, a candidate in the CPA Professional Education Program, is a tax senior with the people advisory services group of Ernst & Young LLP in Vancouver. Photo by Blythe Dresser.



Lawrence Bell is a senior tax manager with the people advisory services group – global mobility and rewards practice of Ernst & Young LLP in Vancouver.

Working from Anywhere – The Tax Implications for Employers

By Queenie Wong and Lawrence Bell, CPA, CA



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The pandemic has reshaped the way employees work. Many have been forced to work remotely, and some have chosen to relocate. But necessity has borne some interesting insights. For example, in a 2021 global survey of its employees,[1] Ernst & Young LLP found broad support for remote work, with nine out of 10 employees saying they want ongoing flexibility with respect to where and when they work.

As remote work shifts from being a stop-gap solution to a permanent option, employers will need to implement internal risk management protocols and understand the implications—in terms of domestic and international taxation, employment and labour law, immigration, and benefit plans—of allowing their employees to work remotely from foreign jurisdictions. This consideration is particularly timely, as much of the tax and administrative relief provided by governments during the pandemic has now expired.

This article explores the international and domestic payroll and corporate tax issues involved when an employer hires employees residing outside its jurisdiction. We use Canada and the US as a primary example but also touch on the considerations for employees working in a different province.

[1] EY, *2021 Work Reimagined Employee Survey*, March 2021, **ey.com**.

Employer payroll requirements

Foreign employers hiring Canadian-resident remote workers

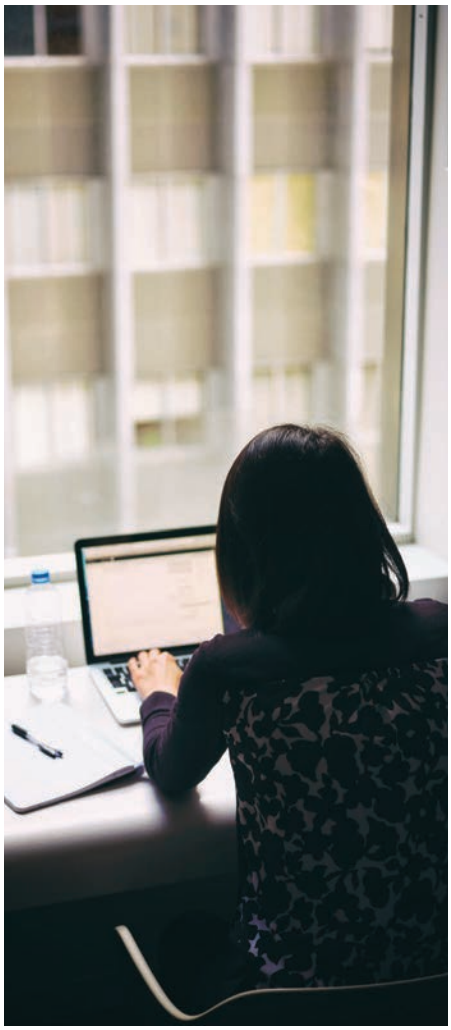
Foreign employers who hire Canadian-resident employees have Canadian payroll filing and remittance obligations. They are required to withhold Canadian federal and provincial taxes, Canada Pension Plan contributions, and Employment Insurance premiums based on the employee's worldwide compensation, and must remit these amounts to the Canada Revenue Agency (CRA). The income and deductions must be reported on individual and summary T4 slips and filed on or before the last day of February following the calendar year. If the employee lives and works in Quebec, there are additional payroll remittance and reporting requirements to Revenue Quebec. Failure to comply with these payroll obligations will expose foreign employers to penalties.

In addition, foreign employers must obtain a CRA business number and open a payroll program account by applying online, by phone, or by completing Form RC1,[2] and they must register for this account before the due date for the first remittance, which is generally the 15th day of the following month.

Canadian employers hiring foreign-resident remote workers

Similarly, Canadian employers who hire foreign-resident remote workers may have foreign payroll obligations and business number registration requirements in the foreign employee's country of residence.

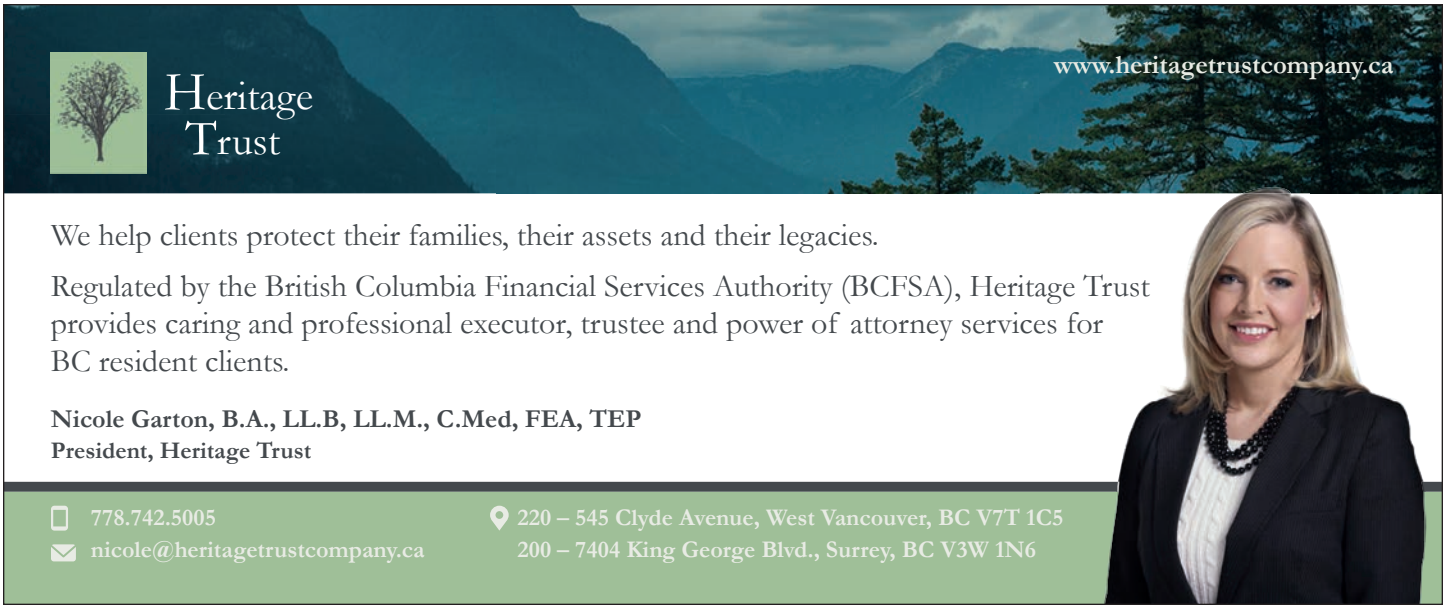
For instance, Canadian employers who have employees working in the US are required to withhold US federal and state (if applicable) income taxes, FICA social security, Medicare tax, and any state unemployment or disability obligations. To remit and report the employees' wages and taxes, Canadian employers must apply for an Employer Identification Number[3]—either online or by submitting Form SS-4 to the IRS. In addition, if a US employee resides in a state that assesses income tax, the Canadian employer is required to register a payroll account in that state.



RichLegg/E+/Getty Images

[2] CRA guidance on business number registration is available at **canada.ca**.

[3] IRS guidance on the Employer Identification Number application is available at **irs.gov/businesses**.





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International corporate tax considerations

A major concern for employers hiring foreign employees is that doing so may give the company a corporate presence in foreign jurisdictions, thereby triggering corporate tax filing obligations.

For example, foreign employers who hire Canadian employees may be viewed as "carrying on business" in Canada under the provisions of Canada's *Income Tax Act*.[4] Similarly, if a Canadian employer with foreign employees is determined to have created a nexus in a foreign jurisdiction—to the extent that the company receives income effectively connected to a trade or business in that jurisdiction—its income may be taxable there.

If an employer is determined to be carrying on business in a foreign jurisdiction, a taxable presence is only created if there is a permanent establishment in place. In the case of Canada and the US, for example, the *Convention Between Canada and the United States of America with Respect to Taxes on Income and on Capital* (Canada-US tax treaty)[5] stipulates that business profits may be taxed in the foreign jurisdiction if the non-resident employer carries on business through a permanent establishment in that foreign jurisdiction. According to the treaty, "permanent establishment" (PE)[6] means a fixed place of business through which the business of an enterprise is wholly or partly carried out (specific examples are provided in the treaty).

Furthermore, many of Canada's tax treaties, including the Canada-US tax treaty,[7] contain a "services PE" provision, which deems that the services provided by the foreign employer are being provided through a PE in the foreign jurisdiction if certain conditions are satisfied.

If an employer carries on business in another foreign jurisdiction through a PE located in that foreign jurisdiction, it needs to attribute its business profits to that PE. In the case of the Canada-US tax treaty, an exception is provided whereby certain activities will not result in business profits being attributed to the PE of a non-resident employee; this exemption applies if the sole activities of the PE are the "mere purchase of goods or merchandise or the mere provision of executive, managerial or administrative facilities or services for such resident."[8]

4 See *Income Tax Act*, R.S.C., 1985, c. 1 (5th Supp.) Section 253 - Extended meaning of carrying on business.

5 Paragraph 1, Article VII of the Canada-US tax treaty defines the taxability of business profits.

6 "Permanent Establishment" is defined in Article V of the Canada-US tax treaty.

7 Marsha Reid, "The New Services PE Provision of the Canada-US Tax Treaty," *Canadian Tax Journal*, (2010) 58:4, 845-896.

8 Paragraph 4, Article VII of the Canada-US tax treaty provides exceptions when business profits are not attributable to a permanent establishment.

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Another issue Canadian employers should consider when conducting business in the US is that most US states levy corporate tax at the state level. This means that in addition to the federal tax, there will be a state tax liability at fixed or graduated rates on any US taxable income and, generally, the various US tax treaties will not apply.

Canadian corporate filing requirements

If it is determined that a foreign employer is *not* carrying on business in Canada, the employer will not be liable to tax in Canada and will not be required to submit a Canadian corporate filing.

If a foreign employer *is* determined to be carrying on business in Canada but is not deemed to have a PE here,[9] the foreign employer will not be liable to tax in Canada. However, to claim a treaty exemption and be exempt from Canadian tax, the foreign employer will need to file a T2 corporation tax return within six months[10] of its taxation year-end.[11]

Lastly, if it is determined that the foreign employer *has* established a PE in Canada, the income that is attributable to this Canadian PE may be subject to Canadian income and branch tax.

US corporate filing requirements

Canadian employers with income that is effectively connected to a US trade or business are required to file a US tax return, even if they did not create a PE in the US and are, therefore, exempt from US income tax. The Canadian employer will need to file Form 1120-F, "US Income Tax Return of a Foreign Corporation," to disclose US source income. In addition, the Canadian employer must file a treaty-based return position disclosure[12] with its US tax return by April 15 following the calendar year to claim relief under the treaty from US federal taxation on income from US activities.[13]

If it is determined that the Canadian employer has created a US PE, the income that is attributable to this PE will be subject to US income and branch tax. Tax filings in each state will also be required where applicable.

Canadian domestic tax considerations

If a Canadian employer has a Canadian employee who works remotely in Canada and does not have to report to the employer's establishment in person (i.e., works from a home office), the CRA's view[14] is that the employee's "province of employment" is where the employee's salary and wages are paid. This would normally be the location of the employer's payroll department.

Each province and territory has its own set of tax laws and policies, including health taxes and worker compensation programs that differ from one another. Consequently, the location of an employee's employment may result in unexpected employer costs. For example, if a BC-based employer hires an Alberta resident to work remotely, the BC Employer Health tax would be levied on the employer's BC remuneration paid to the employee, even though the employee resides in Alberta.

The pros and cons of remote work

The pandemic has proven that remote work is not only possible but also, in some cases, advantageous. However, the advantages of remote work arrangements need to be weighed against the correlative tax challenges and potential compliance risks. An employer's human resources, legal, and corporate tax teams should collaborate closely when offering employees a remote work alternative. ■

[9] Paragraph 6, Article V of the Canada-US tax treaty provides excluded activities performed by the corporation that will not deem the corporation to have established a permanent establishment in the contracting state.

[10] A corporation must file no later than six months after the end of each tax year. The tax year of a corporation is its fiscal period. CRA guidance on filing deadlines is available at **canada.ca/revenue-agency**.

[11] Schedule 91, "Information Concerning Claims for Treaty-Based Exemptions," must be filed with the Canadian corporate income tax return to claim the treaty exemption.

[12] Form 8833, "Treaty-Based Return Position Disclosure Under Section IRC 6614 or 7701(b)," must be filed with the US corporate income tax return to claim the treaty exemption.

[13] A corporation with a fiscal tax year ending June 30 must file by the 15th day of the third month after the end of its tax year. IRS guidance on the filing deadline is available in the "Instructions for Form 1120-F," at **irs.gov**.

[14] CRA guidance for reporting employment income in provinces and territories is available at **canada.ca/revenue-agency**.

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Carrie Gallant is an expert in the art and science of negotiation, influence, and conflict resolution and the founder of The Gallant Leader™ Institute and the EARN Your Worth™ Leaders Lab. She is a speaker, facilitator, and pay equity advocate who specializes in helping clients find their voice and power in negotiations. You can read Carrie's blog at **gallantleader.com**. Photo by Angela McConnell Photography.

Carrie Gallant led the breakout session "Negotiating Acumen for the Future" at CPABC's Business and Leadership Insights PD Nexus Day on July 7, 2021. The virtual conference was held on Zoom.

Zooming Your Negotiations

By Carrie Gallant, BA, JD

Negotiation skills are among the most critical skills a leader can possess. A strong negotiator can creatively leverage corporate interests, catalyze change management efforts, resolve conflict, and influence key decisions. So what does it take to be a strong negotiator in a virtual world?

Thanks to the pandemic, we've all become more accustomed to communicating virtually—so much so that the trade name "Zoom" is now being used as a verb. And while Zoom's meteoric rise in popularity is inextricably linked to the COVID-19 pandemic, virtual platforms are likely to remain popular even after in-person meetings resume.

When it comes to negotiations, the same fundamental principles apply whether you're negotiating in person or on a virtual platform. The most applicable of these principles is "strategic preparation," which considers the mode of communication most conducive to a positive result, given the situation at hand and the people involved.

Prior to 2020, where did you typically conduct your negotiations? In person? In virtual environments (with or without web cameras)? Or by telephone, email, text, or instant messenger? Perhaps a combination thereof?

Communicating on a virtual platform like Zoom is most comparable to meeting in person—conversations take place synchronously, with instant face-to-face visual and auditory feedback. These kinds of meetings can favour extroverts, unlike asynchronous modes like email or text, which allow for extended time between responses.

However, virtual meetings differ from in-person meetings in three key areas, and these areas present opportunities to maximize your negotiation skills:

1. The structure

Virtual meetings tend towards more structured conversation, with only one person speaking at a time. The challenge here is that participants lose out on full body language cues, which can create anxiety and opportunities for misunderstanding, misinterpretation, and false assumptions.

Your opportunity here is to set clear expectations and frame your intention for the negotiation in advance. Share your expectations and a proposed agenda via email ahead of time. Let participants know that the process may require several virtual meetings, especially if you know you'll need to consult someone else or consider agenda items as a team.

2. The environment

Unlike in-person meetings where everyone attending shares the same overall physical environment, each camera square on Zoom is its own individual environment.

If you haven't yet given any thought to creating an environment conducive to achieving your strategic outcomes, today is the day to begin! In person, you can choose the lighting, the seating arrangement, the size of the table, the temperature, etc. You have a variety of options on virtual platforms as well—such as the background (real or virtual) and your camera and lighting setup. So give some thought to the environment you want to create.

And if you're negotiating as a team, consider whether each team member will appear on their own web camera or whether you'll be together in the same room using one camera (when this becomes possible). In the latter scenario, also consider whether you'll position the camera to show everyone or just the speaker, and find out if the other party will do the same.

3. Security and privacy

In-person negotiations offer physical checks on privacy and confidentiality, including a closed door. While it's true that an unscrupulous person may attempt to surreptitiously record a negotiation under the table, the risks of security and privacy breaches are greater in a virtual environment. In fact, many of the features now offered on Zoom were created after private meetings were hacked.

Surprises after the fact can break trust and have a long-lasting negative impact on business relationships, so it's important to discuss protocols beforehand. As with in-person meetings, this includes addressing any security or privacy needs prior to reaching the core part of your negotiation. For example, you might want to set clear expectations regarding the number of participants, determine whether everyone will have their video turned on during negotiations, and seek assurances that no one else can overhear or record any part of the discussion.

In addition, be sure to agree to any technology protocols in advance. For example, discuss how you'll share documents and gain signatures to any agreements.

Technology offers a lot of choices to achieve your objectives, so take care to choose the platform and tools that will best meet your expectations.

Be strategic

One of the keys to any successful negotiation is to choose your mode of communication carefully. Even if you only started using virtual meeting platforms out of necessity, consider keeping them as an option for the future. And whenever you do choose to negotiate virtually, be sure you're adapting to and leveraging the technology to increase the odds of a successful result. ■



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IMPORTANT PD PROGRAM REMINDERS

NEW LEARNING MANAGEMENT SYSTEM

CPABC is pleased to announce the launch of a new learning management system hosted on the Docebo platform. This portal offers seamless access to your training, development, and growth opportunities, and it houses all of your professional development resources, including live webinars, PD Nexus live streams, on-demand videos, and quiz assessments.

EARLY-BIRD SPECIAL

Enrol early for fall/winter seminars and you'll save money on opportunities to learn, grow, and network.

Don't pass up this opportunity to get the best seminar pricing, with potential savings valued at up to 40% off regular prices.

The early-bird pricing for annual PD Passports expires on **September 10, 2021**.

2020/21 PD PASSPORTS DEADLINE

PD Passport holders are encouraged to use their remaining passport credits by **August 31, 2021**, as these credits cannot be transferred to future years.

You can use your credits to purchase any combination of passport-valid CPABC seminars or web-based PD products.

PD PROGRAM HIGHLIGHTS

Certificate Programs in Summer 2021



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Resilient Leadership

This five-part certificate program offers strategies and tools to help leaders improve their own resilience so they can foster resilience, optimism, and innovation among their teams. Register for all five modules and get the ***special bundle price*** of $795. Contact us at **pdreg@bccpa.ca** for details.

Balance Life, Work, and Overwhelm

July 13 | 1:00 pm - 4:30 pm

With burnout on the rise, many people are seeking fresh ways to balance the demands of change with rest and rejuvenation. This course will show you how to set up a routine that is productive, healthy, and sustainable. You'll gain tools to help you focus, energize, and allocate your time on the things that matter most.

Energize Your Team Through Uncertainty

July 20 | 9:00 am - 12:30 pm

Consistent leadership and effective communication are key to keeping teams engaged and productive during times of uncertainty. This course will teach you how to maintain your motivation level—and that of your team—over the long haul.

Five Qualities of a Leader Who Thrives in a Crisis

July 27 | 9:00 am - 12:30 pm

Are you the kind of leader people want to follow in times of crisis and challenge? Discover five leadership skills, ideas, and strategies that will help you increase your ability to not only succeed, but excel, in turbulent times.

Manage Your Mindset and Emotional Well-being

August 3 | 9:00 am - 12:30 pm

Many people are reporting higher levels of anxiety, fear, and isolation during the pandemic. This webinar will explore the need for leaders to allow for a range of emotions and to lead with strength and compassion while promoting emotional well-being and resilient thinking.

Who's Listening?

August 10 | 9:00 am - 12:30 pm

We manage stress through genuine connection, acknowledgment, and understanding. This seminar will provide you with new perspectives and practical methods to improve your listening skills, whether you're communicating with your team, your family, or your friends. You'll gain a deeper understanding of why listening matters so much.

Strategic Management

In this four-part certificate program, you'll learn how to successfully build teams, facilitate change management within your organization, develop risk evaluation and governance best practices, and use strategic planning to help your organization reach its goals.



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Change Management

July 14 | 9:00 am - 5:00 pm

In a world where change is an imperative, organizations must be able to lead and implement change initiatives successfully. In this course, you'll learn the main steps of the change management process and explore how to develop and implement detailed and realistic transition plans.

Team Development

July 20 | 9:00 am - 5:00 pm

Today's complex problems require the skills of diverse teams. In this interactive session, you'll discover the factors that are essential to your team's performance and effectiveness, including the design, the stages of development, and the tools necessary for achieving results.

Risk Management and Governance

July 21 or August 19 | 9:00 am - 5:00 pm

Various risks can undermine an organization's ability to achieve its goals. This course will teach you how to identify, reduce, and combat risks, and it will give you a deeper understanding of your own role in the process of risk management and governance.

Strategic Planning

August 17 | 9:00 am - 5:00 pm

Want to increase your effectiveness in supporting your organization's strategic planning? This course will give you a better understanding of the methods used to execute successful strategies and help you assess how your company stacks up against the competition.

C-Suite Executive Programs Coming in September and November

Global surveys of CFOs over the last five years reveal that CFOs are under a lot of pressure. They're being pulled in multiple directions, and, increasingly, they're being asked to step out of their traditional roles as gatekeepers of financial information and into the role of the all-around trusted leader. Our C-suite executive programs will support you in becoming an influential leader for your organization and show you what it takes to be an innovative and effective CFO today.



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CFO as Navigator Program

September 13-15 & September 20-21

This interactive program is designed for ambitious CFOs/controllers in mid-market private or publicly listed companies who have a "can-do" attitude and are ready to expand their horizons. Using real-life examples, you'll explore practical approaches to today's challenges and learn how to anticipate and be ready for the challenges of tomorrow. The program will build and link key value-creation concepts to areas such as strategy design and execution; enterprise risk management and dashboards; performance metrics and strategy maps; corporate planning platform design and creation; talent management; and incentive design.

Delivered over five days, the program incorporates contextual group work to ensure that participants have focused opportunities to discuss strategy, successful business models, and digital transformation in the post-COVID-19 world.

CFO's Operational Skills Program

November 15-16 & November 22-23

The role of a CFO is one of shifts and change—perhaps more so now than ever before. As a senior advisor to the CEO and the board, the CFO has at least six roles, serving as a business partner, scorekeeper, commentator, expert, custodian, and conscience. With these multiple functions, CFOs need not only to understand the business and its numbers, but also to lead, develop, and help execute the business strategy.

The CFO's Operational Skills Program will give participants the chance to explore and develop the core CFO competencies that organizations expect and demand, including competencies in business valuation, strategic planning, mergers and acquisitions, and behavioural economics. You will also learn about corporate governance and risk management best practices, the changes resulting from the pandemic, and the realities of a post-pandemic business environment. You'll come away with fresh insights and knowledge that will support you as you guide your organization (and yourself) through the post-pandemic recovery process.

20% Off Individual PD Seminars Continues

A 20% discount will be applied to in-person courses, live webinars, and select on-demand virtual products. Take advantage of this offer before **August 31, 2021**. Some CPABC PD products may be exempt from this discount.

EVENTS

The Future Belongs to You: Celebrating CPABC's Class of 2021!

CPABC was proud to recognize the Class of 2021 with a virtual Convocation ceremony on May 19. Streamed live on CPABC's social media channels, the event gave graduates a chance to celebrate their accomplishments with family, friends, supporters, and special guests.

The broadcast began with a message from Lori Mathison, FCPA, FCGA, LLB, president and CEO of CPABC, who applauded the graduates for their hard work and determination. "The CPA program is rigorous, and each of you will have faced challenges during your studies," she said. "But you drew on your unique resilience and strengths to overcome these obstacles, and in the process, redefined what you are capable of achieving."

Geoff Dodds, CPA, CA, outgoing chair of the CPABC Board of Directors, spoke next. He emphasized the respect and recognition that comes with being a CPA, saying the designation is "a testament to your ability to serve as a trusted advisor—one who provides certainty, leadership, and strategic risk management—even in the most volatile times."

Next to take the virtual stage was Richard Olfert, FCPA, FCA,* vice-chair of the CPA Canada Board of Directors, who described the important role CPAs will play in the post-pandemic world. "Now more than ever," he said, "the world needs professional accountants to help reimagine how organizational performance is measured and how value is created for society."

The final address was delivered by class valedictorian and CFE regional gold medallist Omar Dhanani, who encouraged his classmates to keep embracing new experiences and learning new skills. "There isn't a single path to success," he said. "Exploring different options will set us up to succeed in this specialized world."

All successful BC CFE writers were invited to take part in the celebration, and many did so by sharing personal video messages and photos. The broadcast also featured special messages from employers and videos from a number of CPABC's newest FCPAs, who offered words of wisdom to the graduating class.

Thank you to the class of 2021 and all who joined us online to mark this milestone!

** Richard Olfert is an FCPA, FCA, in Manitoba.*



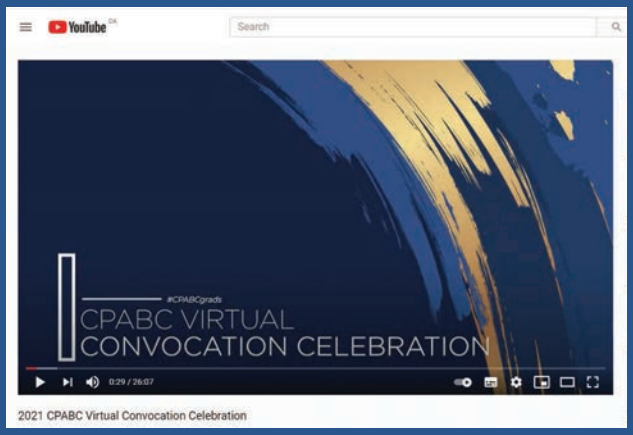
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"Don't be afraid to try something different or learn something new."

—Omar Dhanani, Valedictorian 2021

Did you miss the celebration?

Watch the video at **bccpa.ca/convocation**



CPABC Member Recognition Program

CPABC is proud to recognize its leaders, volunteers, community workers, and educators.

DO YOU KNOW AN OUTSTANDING CPA?

Nominate them for a Member Recognition Award.

EACH YEAR, AWARDS ARE GRANTED IN THE FOLLOWING CATEGORIES:

FELLOWSHIP DESIGNATION

Recognizes members who have earned distinction and brought honour to the profession by meeting at least two of the following criteria: exceptional service to the profession, extraordinary career achievements, and exemplary contributions to the community.

EARLY ACHIEVEMENT AWARD

Recognizes members who have distinguished themselves early in their CPA careers through professional achievement and volunteer service, with an emphasis on professional accomplishments.

DISTINGUISHED SERVICE AWARD

Recognizes members who have been actively involved in volunteer activities for many years for their dedication, commitment, and outstanding contributions to the CPA profession and/or for their unstinting support to one or more not-for-profit or charitable organizations.

LIFETIME ACHIEVEMENT AWARD

Recognizes the extraordinary leadership, dedication, and contributions of members who have received their Fellowship and continue to make significant achievements in a broad range of areas.

NOMINATION DEADLINE

4:00 p.m. | Monday, September 20, 2021

CPA CHARTERED PROFESSIONAL ACCOUNTANTS BRITISH COLUMBIA

Submit your nomination today!

VISIT bccpa.ca/members/recognition-program

ANNOUNCEMENTS AND ACCOLADES

Kudos!



Chris Deresh, CPA, CGA, has been appointed manager of PD content development at CPABC. Prior to this appointment, Chris served as the principal of curriculum development for CPA Canada's Burnaby office. He also previously taught as an instructor at Douglas College, Jim Penner & Co. Training Centre, and Vancouver Community College.



Robert Lydon, CPA, CGA, has been appointed associate director of professional conduct for CPABC. Robert holds a CFE designation from the Association of Certified Fraud Examiners, and prior to joining CPABC, he served as the manager of financial crimes compliance and anti-money-laundering investigations at HSBC in Vancouver for four years.



Elise Rees, FCPA, FCA, a corporate director, has been appointed to the board of directors of Artemis Gold Inc. in Vancouver. Elise has also been appointed chair of the company's audit committee. She holds an ICD.D designation from the Institute of Corporate Directors.



Neelam Sahota, FCPA, FCGA, CEO of DIVERSEcity Community Resources Society in Surrey, has been appointed to the Simon Fraser University Board of Governors. Neelam was elected to CPABC fellowship in 2020, and a profile of her achievements was published in the May/June 2021 issue of this magazine.

Paulo Santos, CPA, CA, has been promoted to vice-president of finance for Calibre Mining Corp. in Vancouver. Prior to this appointment, Paulo served as the company's corporate controller for two years.

If you have an announcement you'd like to share or you know of a fellow CPABC member, candidate, or student who's making an extra effort in the community, we'd love to hear from you! Email us at infocusmag@bccpa.ca.



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In Memoriam



Peter Kozak, CPA, CA

We wish to send our condolences to the family, friends, and colleagues of **Peter Kozak, CPA, CA**. Peter passed away on March 9, 2021, at the age of 72.

Peter was born in Beausejour, Manitoba, and moved to Vancouver with his wife Terry in 1971. He started his accounting career as an articling student with Touche Ross (a predecessor firm of Deloitte LLP) and earned his designation in 1977.

Peter co-founded Kozak Thomas (now KTL Chartered Professional Accountants) in Richmond in 1980 and went on to have a 40-year career in public practice, serving as a partner of KTL until 2021.

A dedicated volunteer in the CPA profession, Peter shared his expertise as a longtime member of the Members in Public Practice Committee for his legacy body. He was also a trusted advisor known for his dedication to his clients, many of whom became good friends over the years.

Photo provided by the Kozak family.

CPAS IN THE COMMUNITY

Giving Back – CPAs Making a Difference

With the COVID-19 pandemic still keeping many traditional volunteer efforts on hold, CPAs and their organizations are continuing to find innovative ways to support their communities. We've shared a number of their stories over the past year and a half, and now that the BC government's multi-stage reopening plan is underway, we'd like to highlight the efforts of a CPA who is working to support fellow British Columbians during the transition to economic recovery.

Ray Walia, CPA, CMA

Ray is the co-founder and CEO of Launch Academy, a non-profit organization in Vancouver that offers business resources to tech entrepreneurs.

On May 18, Launch Academy announced that it would be offering $100,000 in scholarships to give as many as 300 aspiring tech entrepreneurs free access to its online "Launch Your Startup" program. These scholarships are specifically targeted at individuals who are unemployed, experiencing reduced hours, or seeking a career change due to the pandemic.

Then, on May 26, Launch Academy announced that it would offer $120,000 in grants to give as many as 100 tech startups a 50% subsidy on program fees for LaunchPad, the company's virtual tech incubator program. These grants are aimed at existing tech entrepreneurs who've experienced business challenges due to the pandemic.

Applications for these scholarships and grants will be accepted until all spots are filled. Launch Academy is also planning to offer more scholarships and grants in the future.



Ray Walia, CPA, CMA, at Launch Academy in 2018. Photo by Kent Kallberg Studios.

Ray discussed his efforts to make Vancouver a hub for technology and innovation in the July/August 2018 issue of *CPABC in Focus*. You can read about these efforts in the CPABC Newsroom, which features a variety of CPA profiles, including stories of members giving back. Visit bccpa.ca/newsroom.

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SNAPSHOT:

Rhian Quarry, CPA

The job: Finance manager for Madison Pacific Properties Inc. in Vancouver.

Early aspirations: "When I was young, I got hooked on the TV show ER. It inspired me to become an ER physician."

Course correction: While studying health sciences at university, Rhian took a semester off to travel and do some soul-searching. "That's when I realized medicine might not be the direction for me. What I really wanted was to jump into the workforce."

An epiphany: Rhian joined Madison as an admin assistant in 2014 while finishing her BSc. Speaking with the CPAs on staff soon set her on a new path. "My late mom was a CPA, CGA, so I knew about the profession, but it wasn't until I was surrounded by CPAs and heard about their journeys that it all clicked for me."

On taking the EVR route: "Completing the required work experience in industry can be hard because your role might not give you enough exposure to meet the requirements. My mentor Dino Di Marco, CPA, CA, was key—he always found ways to help me get the experience I needed."

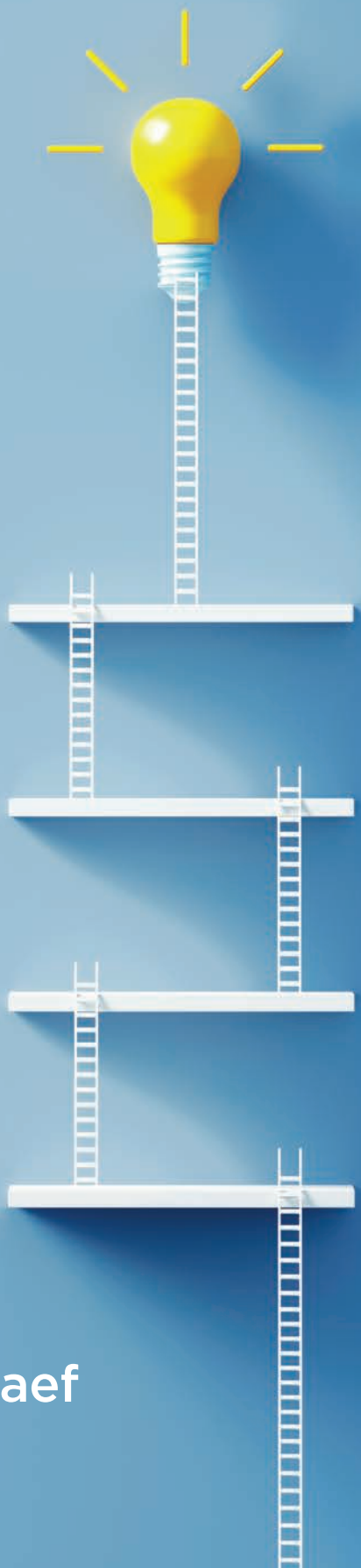
New aspirations: "I want to use my CPA skills to give back to the causes close to my heart. Helping people has always been a passion of mine."

Read more about Rhian at **bccpa.ca/newsroom**.



Photo by Kent Kallberg Studios
Mural by Pablo Zamudio

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