



**CPA**

CHARTERED  
PROFESSIONAL  
ACCOUNTANTS  
NEW BRUNSWICK

**2016-2017  
Annual Report**

## OUR VISION

For the Canadian **CPA** to be the preeminent, globally-respected business and accounting designation.

## OUR MISSION

**CPA New Brunswick** enhances and influences the value of the Canadian CPA profession by:

- Protecting the public interest
- Supporting its members & students in both official languages
- Contributing to economic development

## OUR VALUES

**CPA New Brunswick** creates trust by living its values in:

- Acting with integrity at all times and in all situations
- Fostering excellence by striving for the highest level of professionalism
- Being accountable to our members and stakeholders
- Working collaboratively with provincial bodies, CPA Canada and other stakeholders
- Being open-minded and nimble in order to adapt to an evolving environment



2017 CFE Distinction Awards



Class of 2017

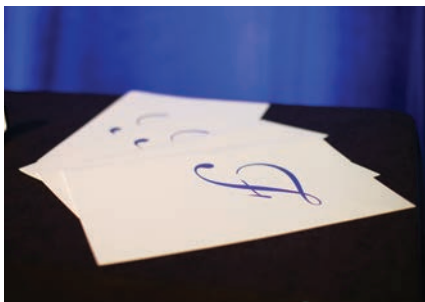


Natalie Moore, CPA (right)



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2017 Fellowship Certificates



Graduates from the class of 2017



CPA Atlantic School of Business 2017  
Award of Excellence Recipients  
(missing from photo: Ian Belliveau, CPA)

## Message from the Chair



During my term as Chair of the Board of Directors of CPA New Brunswick, I have seen an incredible amount of change in a very short time.

This past January, a full member survey was conducted in order to gauge our members' opinions on topics ranging from communications and events, to CPD offerings

and Chapter activity. Based on your feedback, we were able to make some significant changes in how our organization operates on a day to day basis.

Also in January, our CPA New Brunswick Convocation was held with 60 graduates - the largest cohort to have solely completed the CPA Professional Education Program (PEP). This is a graduate-level program comprised of a series of modules that focus on enhancing our candidates' ability to apply their knowledge, values, ethics and attitudes in a professional context.

The program takes candidates approximately two years to complete on a part-time basis while they work in the field for 30 month of paid practical experience. I can't describe how very proud I was to welcome so many new professionals into our midst.

February brought a flurry of activity as we published WHY HIRE A CPA? ads in all provincial newspapers. This campaign was created locally to educate the public on which services can only be rendered by CPAs, and briefly explained the inspection process, the need for continued professional development, and also provided a list of public practice firms in good standing regulated under CPA New Brunswick. The ads were very well-received both by our members and by the public; our members were happy by the show of support and positive exposure, while we also received many calls from the public with questions about our profession. This represents an added value to you, our members.

Late last year, the members of the Board and staff met to develop a strategic plan. In this plan, we identified our vision, mission and values, and identified steps to ensure our organization's success in the years to come. We are no longer a "new" organization and we are maturing our processes to address strategy, as well as the day-to-day tactics. There are many challenges and opportunities facing us and the future of our profession. Details are still being finalized, so please keep consulting our website for further developments.

In the following pages, you will notice that some amendments to our by-laws have been proposed. Amongst the suggested changes are updates to wording and definitions, and the introduction of by-law 40, which defines the non-member certificate holders category. The Advanced Certificate in Accounting and Finance (ACAF) developed by CPA

Canada provides the applied accounting and finance skills necessary to enhance a college graduate's career prospects in accounting and finance without becoming a Chartered Professional Accountant.

CPA Canada is in the process of developing an ACAF National Examination that will be administered through the CPA Atlantic School of Business. This National Examination will be required of all students completing the ACAF applied courses after December 2017.

New this year as a national requirement, members must complete a minimum of four hours of verifiable CPD in professional ethics in each three year rolling cycle. CPA New Brunswick will be providing opportunities for its members to complete their verifiable ethics hours in the form of sessions, webinars and other online learning formats.

I would like to take this opportunity to thank my fellow Board members for their valuable time and commitment over the past year. Their dedication has been exemplary. I would like to single out Deborah McQuade and Cathy Rignanesi who are departing from the Board and will be missed.

I'd like to welcome Pierre Doiron, Christine Hoyt and Krista Munroe, who have volunteered to give generously of their time and expertise to serve you, and also to Kevin Dumaresque, who will assume the position as Chair. I would also like to thank the approximately 35 members who sit on various committees in support of our profession.

Thanks to our President and CEO Nancy Whipp, whose tireless dedication to both the profession and to our members sets the precedent for how our vision, mission and values are applied in the practical world.

And last but certainly not least, I must thank the CPA New Brunswick staff, who work incredibly hard to ensure our members receive the same level of service and innovation as those in much larger provinces.

I am exceptionally pleased to leave my post as Board Chair having witnessed these many accomplishments, and am optimistic that the best is still yet to come. It's been an honour to help shape the profession that's been so close to my heart for many years.

Cordially,

Kevin Hoyt, FCPA, FCGA  
Board Chair

## Message from the President and CEO



This past year has been a very busy one for CPA New Brunswick. Since the merger more than 2 years ago, the focus has been more on providing added-value to our members. To that effect, we held our first Continuing Professional Development (CPD) Spring Conference in May 2016 at which we had 210 attendees over a 2.5 day period. The response was very positive both in terms of timing and offerings. We also developed our first CPD catalogue which included distance learning through webinars, live broadcasts and online seminars allowing members to meet their CPD requirements more easily.

CPA New Brunswick worked hard at identifying new providers with preferential rates for members. We negotiated a contract with Grey Matter Financial Inc., for group insurance and with The Personal for home and auto insurance. We are currently negotiating more agreements so stay tuned. Our new updated website is the perfect place to find all the relevant information you may need including job opportunities.

Recently, I traveled the province with some of our staff to attend the pin celebration events at each of our Chapter. Over the course of these meetings we celebrated 61 recipients with 25 years of membership and 12 recipients with 50 years of membership. Chapters serve an important role as they provide members from across the province an opportunity to meet with their peers, either at locally-held CPD events or social gatherings. In November, CPA New Brunswick met with Chairs of every Chapter to ask them what more could be done to assist them. This was a very productive meeting and most of their requests have been integrated into our 2017-2018 budget.

This year, we conducted our first annual member survey. We listened to what you had to say. You told us you wanted us to be more active on social media as this was an easy way for you to stay abreast of new developments, social or CPD offerings, or job opportunities. Since early this year we have been active on Twitter, Facebook and LinkedIn; these are new platforms for us to communicate with our members and we hope that you are following us.

On the national front, CPA New Brunswick is well represented as the staff and I sit on 11 national committees. This ensures that the interest of CPA New Brunswick members and those in Atlantic Canada are upfront, defended, and protected.

I would be remiss if I did not take this opportunity to thank my Chair, Kevin Hoyt, for his constant support. The members of the Board of Directors for their dedication to the betterment of our organization. Thanks also goes to all the volunteers on committees and Chapters who generously give their time and expertise. The benefit of their assistance is immeasurable. We could not do it without them.

Thank you to my staff who are constantly working to improve the service we provide to our members. I could not ask for a better team.

The biggest thank you however goes to you our Members, your constant involvement in all aspects of the profession, high participation in our events, and feedback is precious and allows us to serve you better.

I have no doubt that the year to come will be just as busy. We will continue to work for the success of our members.

Always feel free to let us know how we can better serve you and what you want to see from your organization. We are building an organization that is more engaged and influential than ever before so you can continue to be proud of your designation.

Sincerely,



Nancy Whipp, CPA, CA  
President and Chief Executive Officer

# BOARD OF DIRECTORS



CPA New Brunswick is governed by an Executive Committee and a Board of Directors made up of elected members and public representatives who are appointed to represent the public interest.

## 2016-2017 CPA NEW BRUNSWICK EXECUTIVE COMMITTEE AND BOARD OF DIRECTORS:

### CHAIR

Kevin Hoyt, FCPA, FCGA

### VICE-CHAIR

Kevin Dumaresque, FCPA, CA

### SECRETARY-TREASURER

Faith Matchett, FCPA, FCMA

### DIRECTORS

Julie Bernard, FCPA, FCGA

John Clark, CPA, CA

Deborah McQuade, FCPA, FCMA, CA

Cathy Rignanesi, CPA, CA

Lee Mitchell, CPA, CMA

Chad White, CPA, CGA

### PUBLIC REPRESENTATIVES

Jason Alcorn

André LaPlante

## 2017-2018 CPA NEW BRUNSWICK EXECUTIVE COMMITTEE AND BOARD OF DIRECTORS:

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John Clark, CPA, CA

Lee Mitchell, CPA, CMA

Chad White, CPA, CGA

Pierre Doiron, FCPA, FCGA

Christine Hoyt, CPA, CMA

Krista Munroe, CPA, CA

### PUBLIC REPRESENTATIVES

Jason Alcorn

André LaPlante

# BOARD OF DIRECTORS

## BOARD OF DIRECTORS MEETINGS

During the period from June 10, 2016 to June 16, 2017, the members of the **Board of Directors** attended 7 ordinary meetings and 4 extraordinary meetings.

The CPA New Brunswick **Annual General Meeting** will be held on Friday, June 16th, 2017, at 8:30am in Moncton, New Brunswick.

## CPA NEW BRUNSWICK TEAM

### Nancy Whipp, CPA, CA

President & Chief Executive Officer

### Kristen Steeves, CPA, CGA

Senior Manager, Operations

### Mylène Lapierre, CPA, CA, CFE

Senior Manager, Practice Inspection & Professional Standards

### Jason Tasse

Manager, Communications and Public Relations

### Murielle Cormier

Coordinator, Member Services

### Joëlle Richard

Coordinator, Professional Development and Member Events

### Justin Robichaud, LLB

Registrar

## VOLUNTEERS

We would like to thank our many volunteers for their assistance with events, committees, and other activities which keep our association busy. We could not do it without their support. Their hard work allows us to expand the services offered to you, our members, and for this we are extremely grateful.



L-R: Danielle Pieroni, Monette Légère, Joëlle Richard



Rachelle Gauvin (CPA Atlantic School of Business) and Danielle Pieroni



Murielle Cormier and Paul LeBlanc



# BOARD COMMITTEES

In accordance with **By-Law 12.01**, CPA New Brunswick maintains the following standing committees with respect to Governance:

## Audit & Finance

- Cathy Rignanesi, CPA, CA (Chair)
- François Serry, CPA, CA
- Andrew Nicholson, CPA, CMA
- Joelyn Bernard, CPA, CA
- Gerald Regan, CPA, CMA
- Dan Rae, CPA, CGA
- Nancy Whipp, CPA, CA (ex-officio)

The **Audit and Finance Committee's** purpose, as outlined in the committee's terms of reference, is to assist the Board in its oversight of:

1. The integrity of CPA New Brunswick's financial reporting and disclosure processes
2. The appointment of the external auditors including their qualifications and independence
3. The performance of CPA New Brunswick's management and appointed auditors
4. The adequacy and effectiveness of internal controls
5. Risk management, and
6. CPA New Brunswick's compliance with legal and regulatory requirements

The Audit and Finance Committee established its objectives for the 2016-2017 year to align with its above noted purpose and successfully completed its objectives, including among other things:

- Reviewed and recommended to the Board for approval the financial content of the 2017 Annual Report
- Reviewed and recommended to the Board for approval the 2017 annual audited financial statements
- Approved the 2017 Audit Planning Memorandum, Engagement Letter and fees and reported on same to Board
- Reviewed the 2017 External Audit Findings Report and Independence Letter and reported on same to Board
- Reviewed and approved in advance, a non-audit service fee for unplanned work to be provided by the external auditor's firm and considered the impact on the independence of the external audit work
- Reviewed a management prepared Internal Control Report and, where required, made recommendations for revisions to controls
- Reviewed and recommended Board approval of CPA New Brunswick's operating budget for its 2017-2018 fiscal year
- Reviewed a periodic report of any litigation matters that could significantly affect the financial statements of CPA New Brunswick
- Reviewed a periodic report from the President & CEO of CPA New Brunswick on regulatory compliance matters
- Provided oversight in issuance of a request for proposals for investment management services and the selection of an investment manager for CPA New Brunswick
- Drafted an auditor rotation/ partner rotation policy that subsequently received Board approval
- Established a process to and began to monitor CPA New Brunswick's performance against relevant Financial related KPIs

## Nominating

- Faith Matchett, FCPA, FCMA (Chair)
- Melanie MacLean, CPA, CGA
- John Warrington, CPA, CMA
- Karen Cunningham, CPA, CA

In accordance with **By-Law 6.01** "the Board shall not later than the 31st day of January in each year, appoint a Nominating Committee chaired by the current Chair of CPA New Brunswick and comprised of any three additional members of CPA New Brunswick with voting rights". Until 2019 the Nominating Committee is comprised of one representative from each legacy body.

The role of the **Nominating Committee** is to review all nomination forms received from members and make recommendations to the membership for election to the Board for the ensuing year. The Nominating Committee must ensure that its recommendations are in accordance with **By-Laws 5.07** to **5.11**.

The Nominating Committee will recommend to the membership, for election, sufficient nominees to fill positions on the Board as required. The Nominating Committee's recommendation in no way precludes any Member from standing for election to the Board.

For the 2017-2018 year, the committee received 6 nominations. The following members were recommended to fulfill Director roles open from current vacating Directors:

- Pierre Doiron, FCPA, FCGA
- Christine Hoyt, CPA, CMA
- Krista Munroe, CPA, CA



**L-R: Faith Matchett; André LaPlante; Deborah McQuade; John Clark; Nancy Whipp; Cathy Rignanesi; Kevin Hoyt; Arthur Walsh (replaced by Lee Mitchell); Jason Alcorn; Chad White.**



# BOARD COMMITTEES

## Hearing & Complaints

- David Ross, FCPA, FCA (Chair, Complaints Committee)
- Paul-Émile Légère, CPA, CA (Chair, Hearing Committee)
- Bruce Wood, FCPA, FCA (Chair, Discipline Tribunal)

CPA New Brunswick is required to maintain a publicly accessible system to address the conduct of its members and to determine their fitness for practice (“*Complaints*”). The authority granted to CPA New Brunswick to address complaints is statutory and must be fairly exercised in accordance with the Act and By-Laws.

In order for CPA New Brunswick to effectively process complaints, many individuals are involved in varying capacities, including but not limited to: the **Complaints Committee**, and the **Hearing Committee**. The rosters for the Complaints and Hearing Committees were finalized at 30 members each, and approved by the Board at its meeting in August 2016.

The role of the **Complaints Committee** is to exercise the powers and functions as provided for at s. 37(6) of the Act, including the power to investigate or request an investigator, order practice inspections, order financial audits, issue cautions or warnings, or resolve the matter. It has the power to dismiss all or parts of a Complaint and also has the authority to suspend or limit the practice of Members who are the subject of Complaints pending the outcome of proceedings of the Hearing Committee.

On the other hand, the **Hearing Committee** is to hear evidence and determine the merit of a complaint, and when appropriate, impose sanctions in accordance with s. 39 of the Act. The Hearing has the authority to order the member’s registration, license, or membership to be suspended or removed from the Register, award costs of the process, and impose fines not exceeding \$50,000. It can also work to resolve complaints without holding a hearing when alternative dispute resolution processes are appropriate or to simplify hearings for the benefit of CPA New Brunswick and the Respondent as hearings are significant undertakings for everyone involved and it is always appropriate to explore simplification of procedure and voluntary resolutions.

At the beginning of the year, the Complaints Committee had 5 complaints outstanding / in process, including two complaints continued from legacy bodies. 3 additional complaints were received during the year, and we are pleased to report that all 8 complaints were concluded by the Complaints Committee during the 2016 - 2017 year, with the following outcome:

- 4 were dismissed for lack of evidence of violation of the CPA New Brunswick **Code of Professional Conduct**
- 2 were referred to the Hearing Committee and 2 to the Discipline Tribunal (the two legacy complaints). The Hearing Committee and Discipline Tribunal process for these 4 complaints will be initiated in the 2017-2018.

## Practice Inspection

- John Clark, CPA, CA (Chair)
- Blair Northcott, CPA, CA
- Peter Spacek, CPA, CA
- Lucie Nadeau Frenette, CPA, CA
- Donald Cormier, CPA, CA
- Carol LeBlanc, CPA, CMA

The mandate of the **Practice Inspection Committee (“PIC”)** is to oversee practice inspections of all public practices registered with CPA New Brunswick in a manner that will conform, to the greatest extent possible, with the harmonized practice inspection program.

The committee’s role is to protect the public interest while at the same time providing a learning opportunity for public practices by assessing the compliance with professional standards of members/firms who perform assurance, compilation and other specified engagements, and by taking appropriate follow-up or remedial actions in instances of non-compliance. These inspections are done by practice inspectors (“PI”) who have met specific conditions to qualify as inspectors including targeted training.

The “PIC” is responsible to determine if the inspectable unit has met or not met the requirements of the practice inspection program; review the cumulative assessment of the reportable deficiencies; and identify the related consequences that shall apply for each inspection. This could include referral as a complaint to the Registrar any matter arising out of a practice inspection if the “PIC” is of the opinion that the conduct of a practicing member constitutes or may constitute professional misconduct, or indicates or may indicate that the member is an unfit or incapacitated member. Furthermore, the “PIC” is responsible to appoint “PI”, who shall then be assigned to each practice inspection taking into account expertise, conflict of interest, language preference of member, etc.

Fall 2016 saw the inaugural release of “Report on Reportable Deficiencies” issued to all public practice firms. This report contained valuable information on common theme deficiencies of those firms inspected in the 2015-2016 inspection cycle and was summarized into six major areas of compliance. The “PIC” will continue to release this report on a yearly basis.

In addition, the PIC anticipates its mandate broadening over the coming years as additional service areas are expected to be subject to regulatory compliance review. The committee will be proactive and deal with such issues when tasked to do so.

The 2016-2017 inspection cycle included 40 firms, 5 of which were re-inspections from the previous year’s inspection cycle. A re-inspection may require a partial or full re-inspection, dependent upon the results. Presently, our expectation is that all public practice firms will be inspected over a 3 year cycle. Currently, there are 10 “Pis”.

We wish to thank all those members who serve on our committee, our practice inspectors and the staff of CPA New Brunswick for their support in discharging the PIC of its mandate.

# OTHER COMMITTEES

Other **CPA New Brunswick** committees include:

## FCPA Nomination

- Deborah McQuade, FCPA, FCMA, CA (Chair)
- Pierre Doiron, FCPA, FCGA
- Trisha Fournier-Hoyt, FCPA, FCGA
- Robert Gamble, FCPA, FCMA
- Bruce Wood, FCPA, FCA
- Suzanne Tucker, FCPA, FCMA
- Paul Martin, FCPA, FCA

The **FCPA nomination Committee** is comprised of 7 members, the immediate past Chair of the Board of CPA New Brunswick and 6 members all of whom are Fellows. It is responsible to review and evaluate the nominations received and to recommend appropriate nominees for fellowships to the Board. The Committee's deliberations are guided by broadly defined attributes / adjectives.

Yearly CPA New Brunswick puts out a call to all members for nominations for the title of FCPA. A nomination package including specific information must be provided by each nominator for review by the FCPA Nomination Committee members. Nominees must be vetted for disciplinary matters and be in good standing.

The standard criteria for the Title of Fellow (FCPA) are consistent throughout the country. They provide for each nominee to be evaluated for his/her leadership and exceptional nature of his/her performance in the following fields:

- Professional career
- Volunteer involvement in the affairs of the accounting profession and
- Volunteer contribution to professional, community or charitable organizations

The nominations must be made under one of two permitted options. **Option 1** requires the candidate to have made a remarkable contribution in more than one of the three fields and **Option 2** requires the candidate to have made an outstanding contribution in at least one of the fields.

CPA New Brunswick received seven nomination packages; five were submitted under Option 1 and two under Option 2.

This year the 4 nominees recommended and accepted by the Board of Directors were:

- Kevin Dumaresque, FCPA, CA
- Elin Maher, FCPA, CA
- David McCain, FCPA, CA
- Wanita McGraw, FCPA, CA

## Human Resources

- André LaPlante, Public Representative (Chair)
- Kevin Hoyt FCPA, FCGA
- Lee Mitchell, CPA, CMA
- Jason Alcorn, Public Representative

The **Human Resources Committee** was put in place at the beginning of March 2017 to support the Board of Directors and provide recommendations in relation to establishing the overall philosophy for managing human resources within the organization as well as in the desired corporate culture.

This Committee is responsible for all aspects of the President & CEO's position. It will play a leading role with regards to the evaluation and compensation recommendations for the President & CEO to the board of directors. Furthermore, it will ensure that human resource risks are appropriately identified and mitigated.

Some of its other duties include:

- Provide guidance to the President & CEO as required with respect to Human Resources matter
- Articulate the high-level philosophy towards human resource management including the desired corporate culture and organization values
- Establish the reporting needed to have assurance that the HR philosophy is being fulfilled
- Review and recommend to the BOD for approval the organizational structure

# OTHER COMMITTEES

## Governance

- Jason Alcorn (Chair)
- Roger Bastarache, FCPA, CGA, CA
- André LaPlante, Public Representative
- Deborah McQuade, FCPA, FCMA, CA
- Lee Mitchell, CPA, CMA
- Chad White, CPA, CGA

The **Governance Committee** is responsible to ensure that the Board of Directors fulfills its legal, ethical and functional obligations through appropriate governance policy development. It is also responsible for Board recruitment strategies, monitoring of Board activities and evaluation of Board members' performance. Furthermore, the Governance Committee is responsible to ensure that all Committees of the Board meet their obligations as determined in their respective Terms of Reference.

The committee must ensure that the Board of Directors is able to govern the organization effectively through the creation of governance policies and procedures. In addition, the committee assists with the recruitment and nomination of Board members. Lastly, the committee assists with the orientation and training programs that are provided to Board members.

The committee met 4 times over the course of the year to fulfill its requirements in accordance with the terms of reference. During the course of those meetings it:

- Established KPIs for the organization
- Created a matrix identifying current BOD member skills and those sought
- Reviewed Board member diversity to ensure it is representative of CPA New Brunswick's membership
- Ensured good Board and Committee governance through review of their adherence to their respective terms of references



CPA New Brunswick Staff  
2017 Convocation



Long-Service Pin Recipients  
2017 Fredericton Chapter AGM



Round-table Discussions  
Comité étudiant CPA de l'UdeM



"Preparing for Successful Retirement"  
Acadie-Chaleur Chapter CPD Opportunity



Tax Luncheon with Pierre Cormier, CPA, CA  
Moncton Chapter CPD Opportunity



L-R: Kevin Hoyt, John Clark, Jason Alcorn, Arthur Walsh



## PROPOSED BY-LAW AMENDMENTS

### *Additions, Deletions and Changes to the Definition Section of the By-laws:*

“Advanced Certificate in Accounting and Finance program” or “ACAF program” means a certificate education program which leads to the granting of an “Advanced Certificate in Accounting and Finance” or “ACAF” to those persons who successfully complete that program.

“ACAF Contract” means the contract that must be signed by ACAF holders in order to use the designation “ACAF Holder” in New Brunswick.

“ACAF Holder” means an individual who has successfully completed an ACAF program.

“ACAF Holder List” means the list of individuals who have completed an ACAF program, paid the prescribed fee, signed the ACAF Contract and are therefore permitted to use the designation “ACAF Holder” in New Brunswick.

“Certificate” means the Certificate issued to Members of CPA New Brunswick that have satisfied the requirements to be registered as a Chartered Professional Accountant, **but does not include an ACAF**;

“CPA preparatory courses” means the modularized profession delivered education courses that provide the specific knowledge requirements for admission to CPA PEP.

“CPA Prerequisite Education Program” or “CPA-PREP” means the modularized profession delivered education program that provides those with undergraduate degrees in areas other than accounting with the specific knowledge requirements for admission to CPA-PEP

“Firm” means a sole practitioner or proprietorship, a partnership or a **Professional Corporation**

“Student” means a person who is enrolled in **CPA preparatory courses** established by CPA New Brunswick.

### *Changes to wording of By-Law 11.06 and 11.07 to be in agreement with the Chartered Professional Accountants Act of New Brunswick*

**11.06** Consistent with subsection 65(5) of the Act any action or decision that would have the effect of:

- i. Adopting requirements that discriminate against the holders of a Legacy designation;
- ii. Issuing, supporting or promoting any designation other than “Chartered Professional Accountant”, “comptable professionnel agréé”, “CPA” or “C.P.A.”; or
- iii. Resulting in materially less rigor in any existing CPA Code of Professional Conduct; would require a **majority vote of not less than eighty percent of the directors confirmed by a majority vote of not less than eighty percent of the Members in attendance in person or by proxy at an AGM or Special Meeting of the Members.**

**11.07** Any amendments or revisions to **By-Law 11.06** requires a **majority vote of not less than eighty percent of the directors confirmed by a majority of not less than eighty percent of the members in attendance in person or by proxy at and AGM or Special Meeting of the members.**

### *Change to By-Law 14.06 to reflect change from PREP to Preparatory Courses*

**14.06** The Board adopts for use in New Brunswick the examinations arranged and prepared by the Board of Examiners of CPA Canada as its required examinations for **CPA preparatory courses**, CPA PEP and the “Common Final Examination”.

### *Change to By-Law 14.27 to add the words “by its representative” as CPA New Brunswick has currently delegated that authority to CPA Atlantic School of Business*

**14.27** A Candidate requesting a review of consideration of special circumstances regarding the Common Final Examination or requesting that a particular attempt be disregarded shall register a request for such a review in the manner required by the Board in accordance with the Policies of CPA New Brunswick **or by its representative.**

### *Addition of section 14.28 to By-Law No 14*

**14.28** A person may not register as a Student or Candidate if they are also registered in an ACAF program.

### *Changes to By-Law 17.03 to clarify that it applies to all Chartered Professional Accounting practices included in the definition of Firm in the By-Laws and that the acronym CPA is acceptable versus the fully spelled out designation*

**17.03** Additionally, Firms who wish to maintain a Public Practice or provide other Regulated Services must meet the following conditions:

- i. In the case of a public accounting practice, the name of the **Firm** contains the words “Chartered Professional Accountant(s)” **or the acronym “CPA(s)”**, unless the Member is in the partnership with a non-member. In such instances, the name of the partnership must not contain the words “Chartered Professional Accountant(s)” **or the acronym “CPA(s)”**;

Removal of previous By-Law 18.10 (ii) to ensure that all public practices are inspected except in unusual circumstances and when approved by the Practice Inspection Committee.

**18.10** The Practice Inspection Committee may exempt a Public Practice Permit holder from inspection:

- i. If the Public Practice is inactive; or
- ii. If, in the opinion of the Practice Inspection Committee, the Public Practice is so small in volume that an inspection is not warranted; or
- iii. On whatever other grounds the Practice Inspection Committee deems appropriate.

Removal of duplicate sentence in By-Law 19.12

**19.12** Where the License of a PC has been suspended for a fixed period of time or until the occurrence of some event, **the License may be reinstated at the conclusion of that period of time or until the occurrence of the event**, as the case may be, on the Registrar being satisfied that the PC has:

- i. paid such fine or costs, if any, it was ordered to pay within that period of time fixed for such payment;
- ii. paid the renewal fee for the year in which the License is reinstated; and
- iii. complied with all conditions set out in the By-Laws and Policies for such reinstatement.

Addition of By-Law No. 40

## **By-law No. 40**

### **Advanced Certificate in Accounting and Finance (ACAF) Holders**

**40.01** A category of non-member certificate holders entitled “*ACAF Holders*” is hereby created pursuant to Section 5(1)(b)(ii) of the Chartered Professional Accountants Act (the “Act”).

**40.02** A person may apply for and continue registration in an ACAF program, provided that the person meets and continues to meet all of the entrance and ongoing registration requirements that may be established by the Board for the purpose of completing that program. However, although such persons may be referred to as “students”, they are not considered to be students for the purposes of the Act, the Code or the by-laws.

**40.03** CPA New Brunswick shall maintain or cause to be maintained a list of the names and addresses of individuals who have successfully completed an ACAF program, have paid the prescribed fee and have executed the ACAF Contract (the ACAF Holder List).

**40.04** Subject to the ACAF Contract, individuals on the ACAF Holder List are entitled to use the designation “*ACAF Holder*” in New Brunswick.

**40.05** On or before February 1st of any year, the Board may by ordinary resolution determine the annual fee for ACAF Holders, payment of which shall be due before March 31st of the same year.

**40.06** The Registrar shall strike the name of any ACAF Holder from the ACAF Holder List who fails to pay the annual fee by March 31st of the year in question and may bring a court action for breach of the ACAF Contract to prevent the person from using the ACAF Holder designation.

**40.07** The Registrar shall strike the name of any ACAF Holder who is found to have breached the Code of Professional Conduct pursuant to the procedure set out in the Act and may bring a court action for breach of the ACAF Contract to prevent the person from using the ACAF Holder designation.

**40.08** The Registrar shall reinstate the name of any ACAF Holder on the ACAF Holder List upon satisfaction of any outstanding fees owing to CPA New Brunswick, any fines, penalties, late fees, or any other condition deemed appropriate in the circumstances.

**40.09** An ACAF Holder is not a Member of CPA New Brunswick and has none of the rights, privileges or obligations of Membership. Without limiting the generality of the foregoing, ACAF Holders are not entitled to:

- i. vote;
- ii. use the designation “*Chartered Professional Accountant*” or the initials “*CPA*”;
- iii. receive notice of and attend meetings of CPA New Brunswick, to receive any copies of any regular bulletins or publications issued by CPA New Brunswick; or
- iv. serve on committees of CPA New Brunswick.

# MEMBER ENGAGEMENT

## 2016-2017 SNAPSHOT

Between both conferences, online courses/webinars and Chapter CPD opportunities, we had in excess of **800** distinct members participate in Continued Professional Development through **CPA New Brunswick** offerings.

This represents approximately **36%** of our active membership. Our sincere thanks to all those who supported us by attending our events!

## CHAPTER EVENTS

Our Chapters have been diligently working toward offering more networking opportunities, **FREE** PD sessions, and support to members in their region. Altogether, **CPA New Brunswick** Chapters throughout the province held more than **20** events!

## CPA NEW BRUNSWICK WEBSITE

Launched in 2014, the [cpanewbrunswick.ca](http://cpanewbrunswick.ca) website has undergone some significant changes within the past year in an effort to make it more accessible, more streamlined, and easier for both our members and the public to use.

Some of the most noticeable improvements are:

- An overall **CPA New Brunswick** brand presence has been created and is being carefully cultured
- A **Careers** page was added, and is updated daily with job postings from across the province requiring a CPA designation
- Our **Events** now contain more details, are easier to find, and are accessible to a wider audience
- An interactive Public Practice **Blog** has been created and is set to launch within the next few weeks
- Our **Site map** has been simplified in order to reduce the number of clicks required to reach a destination page
- More interactive features are on the way - **please keep visiting!**

## ADVERTISING

In February 2017, **WHY HIRE A CPA?** ads were published in the **Times & Transcript**, the **Telegraph-Journal**, the **Daily Gleaner**, **l'Acadie Nouvelle** and **l'Étoile Provinciale**. This campaign was created to inform the public on which services can only be rendered by Chartered Professional Accountants, and which Public Practice firms throughout the province can provide those services because they have a public practice license issued by CPA New Brunswick.

## SOCIAL MEDIA PRESENCE

Since December 2016, **CPA New Brunswick** has launched completely new **Facebook**, **Twitter** and **LinkedIn** pages with the goal of creating an interactive community for CPA members, candidates & students throughout the province to post and share event details & photos, career opportunities, success stories and achievements, etc.

## MONTHLY eNEWSLETTER

Beginning in February of this year, the bimonthly **CPA New Brunswick** eNewsletter transitioned to a monthly format, along with a fresh look and brand-new features. Missed the last issue? Then head over to the **What's New?** section of our website under **News, Events & Publications** to view past editions!

Just a few of our new features include:

- A **Get Involved!** section where members can find out how they can contribute to supporting their profession
- A **Member Corner** to feature some of the diversity amongst our members and staff
- A **Career on the Move?** section to assist our members in reaching their career goals
- Member benefit and affinity program information





The CPA New Brunswick chapters were established in order to facilitate the professional development of their members, to enhance the goodwill and image of CPA New Brunswick, and to assist in organizing events taking place in the chapters' vicinities.

Chapters also sponsor social activities and provide support to candidates enrolled in the CPA programs with the CPA Atlantic School of Business.

## ACADIE-CHALEUR

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Roger Savoie, CPA, CGA

### OUTGOING CHAIR

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### CO-CHAIR

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### SECRETARY

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### ADMINISTRATOR

Jolaine-Amélie Kenny, CPA, CGA

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### CO-CHAIR

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## MIRAMICHI

### CHAIR

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### CO-CHAIR

Alvin Bell, CPA, CA

### TREASURER

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### SECRETARY

Darlene O'Shea, CPA, CGA

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### CO-CHAIR

Tobi Doucette-Corey, CPA, CGA

### TREASURER

Jo-Anne Lockhart, CPA, CA

### SECRETARY

Vickie Nicholson, CPA, CMA

## 2016 ANNUAL GENERAL MEETING

On June 10, 2016, CPA New Brunswick held its second **Annual General Meeting** in Miramichi. We welcomed our new Chair Kevin Hoyt, who succeeded Deborah McQuade, as well as new Board members Chad White, Arthur Walsh and John Clark.

Following the meeting and a luncheon, attendees were invited for a historic boat tour on the Miramichi river.



Kevin Hoyt, FCPA, FCGA and  
Deborah McQuade, FCPA, FCMA, CA



Deborah McQuade, FCPA, FCMA, CA  
Outgoing Board Chair



Nancy Whipp, CPA, CA  
President & CEO

## 2016 FALL CPD CONFERENCE

The **Fall Continuing Professional Development Conference** is CPA New Brunswick's signature event, and the Fall 2016 conference attracted approximately **520** participants and featured a wide range of courses, seminars, and workshops.

While the majority of attendees were CPA members as the event was open to all, it was also attended by candidates and other business professionals. Registered members received a welcome package containing promotional items from CPA New Brunswick and qualifying sponsors. This event occurred from Tuesday, October 18 to Friday, October 21, 2016 at the **Delta Hotels by Marriott Fredericton**.



2016 Fall CPD Conference



2016 Fall CPD Conference



2016 Fall CPD Conference

## 2017 CONVOCATION

This year, we proudly welcomed **60 new graduates** into our professional family in front of approximately 550 of their friends, family members, partners and colleagues.

Held at the **Saint John Trade & Convention Centre** on Saturday, January 21st, 2017, this event was made possible thanks to our dedicated team, our members, and of course our generous sponsors. Below is a complete list of this year's graduates:

Jennifer Armstrong  
Sophie Alisa Baiani, CPA  
Erica Barrie  
Marissa Barry  
Cindy Basque, CPA  
Jeffrey Beckingham  
Ian Belliveau, CPA  
Christopher Bertin  
Jessica Boutot  
Theresa Cardy, CPA  
Nicholas Chamberlain, CPA  
Emilie Comeau, CPA  
Jérémie Cool  
Robert Diamond  
Stéphanie Doiron  
Vanessa Doucet, CPA  
Eric Doucet, CPA  
Sarah Doyle  
Michael English  
Paul Ferguson

Dylan Fitzherbert  
Eric Garland, CPA  
Jean-Luc Gauvin, CPA  
Nicholas Gillcash  
Ryan Good, CPA  
Jérémie Guitard, CPA  
Joanne Head, CPA  
Leslie Hinton  
Benjamin Jacobs  
Anick Jean, CPA  
Simon Jodoin  
Frédéric Lagacé  
Eric LaMorre, CPA  
Sébastien Lanteigne  
Jennifer Daphnée LeBlanc, CPA  
Justin LeBlanc, CPA  
Aaron Lenehan, CPA  
Holly Leppard-Westhaver  
Sonia Mabie, CPA  
Keith MacDonald

Nadia Mahboob  
Rebecca McIsaac  
Kristin McKay, CPA  
Steven McLaughlin  
Michael McSorley  
Natalie Moore, CPA  
Joshua Murphy, CPA  
Alana Nicklin  
Eric O'Connor, CPA  
Karine Ouellette  
Kendra Patrick, CPA  
Justin Robichaud  
Jeffrey Savoie  
Emily Sorensen  
Chase Stewart, CPA  
Kathryn Tadic, CPA  
Pierre-Louis Thebault  
Grâce Umunezero, CPA  
Ian Wells  
Ben Wilshaw

## 2017 SPRING CPD CONFERENCE

The **Spring Continuing Professional Development Conference** was added to CPA New Brunswick's program in 2016 with over 200 attendees after the demand for additional professional development opportunities was evident.

This year's conference took place at the **Delta Hotels by Marriott Saint John** from Tuesday, May 16 to Thursday, May 18, 2017 with close to **260 attendees**, which is a **25% increase** in attendance from the Spring 2016 conference. All registered Members received a welcome package containing promotional items from CPA New Brunswick and qualifying sponsors.



**Brad Melanson, Irving Oil**  
Gold Sponsor



**Sally Rollings, TD Insurance**  
Silver Sponsor



**Ramani Anupindi, CPA, CGA and Terrienne Humby, CPA, CMA**



# FELLOWSHIP



The title of **Fellow** of **CPA New Brunswick**, designated by the initials **FCPA**, formally recognizes those members who have rendered outstanding services to the profession, or whose achievements in their careers or in the community have earned them distinction and brought honour to the profession.

**CPA New Brunswick** is very proud to announce the recognition of four new **FCPAs**:



Kevin Dumaresque, FCPA, CA



Elin Maher, FCPA, CA



David McCain, FCPA, CA



Wanita McGraw, FCPA, CA

CPA New Brunswick awards 25 and 50-year pins to its members celebrating long service.

## 25 YEARS OF SERVICE

Melissa Akerley Meadows, CPA, CGA, BBA, PMP  
Stephen Ashe, CPA, CGA  
Kimberley Anderson, CPA, CA  
David Balsler, CPA, CA  
Derrick Bathurst, CPA, CA  
Glenn Beers, CPA, CA  
Julie Bernard, FCPA, FCGA  
Denise Britt, CPA, CMA  
Ferne Carle, CPA, CMA  
Rodney Chase, CPA, CMA  
Jayne Clarke, CPA, CMA  
Brenda Collings, CPA, CA  
Kevin Dodsworth, CPA, CMA  
Connie Doherty, CPA, CA  
Anita Fifield, CPA, CMA  
Carmel Fournier, CPA, CA  
Denise Frenette, CPA, CA  
Richard Fullerton, CPA, CGA  
Kirby Gesner, CPA, CMA  
Rino Girard, CPA, CMA  
J. Daniel Goguen, CPA, CA  
David Gorman, CPA, CGA  
Robert Harrison, FCPA, FCGA  
Robinson Harvey, CPA, CA  
J. Max Hawkins, CPA, CMA  
Mark Jardine, CPA, CMA  
Michael Jenkins, CPA, CA  
Susan Johnson, CPA, CA  
Luann Jones-Foster, CPA, CA  
Gregory Kieley, CPA, CMA  
Glen Larlee, CPA, CMA

Catherine LaRochelle, CPA, CA  
Kevin Laskey CPA, CMA  
Angie Leonard, CPA, CA  
Hai Lequang, CPA, CA  
Eric Long, CPA, CA  
Derrick MacDougall, CPA, CMA, MBA  
Donald MacQuarrie, CPA, CMA  
Trevor Marshall, CPA, CA  
M. Irene McCardle, CPA, CMA  
Gary McCarville, CPA, CGA  
Vicki McKibbon, CPA, CA  
Victor Meisner, CPA, CA  
David Nowlan, CPA, CA  
Denise Pinette, CPA, CMA, MBA  
Joseph Poirier ,CPA, CGA  
Daniel Reyno, CPA, CMA  
Aaron Robichaud, CPA, CA  
Lise Robichaud, CPA, CGA  
Neil Rodgers, CPA, CMA, BBA  
James Ryan, CPA, CA  
Doreen Saunders, CPA, CGA  
Trina Scott, CPA, CGA  
Karen Scovil, CPA, CA  
Angela Smith, CPA, CMA, PMP  
Troy Stone, CPA, CA  
Andrea Tellenbach, CPA, CMA  
Jeannette Titus CPA, CGA  
JenniferUrquhart, CPA, CA  
Kelly Williams, CPA, CMA  
J. Patrick Woods, CPA, CGA  
Nancy Young, CPA, CMA

## 50 YEARS OF SERVICE

Paul-Emile Bujold, CPA, CA  
A. David Coates, CPA, CA  
Donald Comeau, CPA, CA  
Joseph Cyr, CPA, CA  
Roy Gillies, CPA, CMA  
R. Patrick Goguen, CPA, CA

Margaret MacDougall, CPA, CA  
Ronald MacQuarrie, CPA, CA  
Normand Michaud, CPA, CA  
Rolland Mouton, CPA, CA  
Armand Roy, CPA, CA

## IN MEMORIAM

We would like to take this occasion to remember the dear friends, colleagues and mentors we have lost over the past year.

# FINANCIAL STATEMENTS



**CHARTERED PROFESSIONAL  
ACCOUNTANTS OF NEW BRUNSWICK -  
COMPTABLES PROFESSIONNELS  
AGRÉÉS DU NOUVEAU-BRUNSWICK**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED  
MARCH 31, 2017**



***Allen, Paquet & Arseneau LLP***  
CHARTERED PROFESSIONAL ACCOUNTANTS • COMPTABLES PROFESSIONNELS AGRÉÉS

**CHARTERED PROFESSIONAL ACCOUNTANTS OF NEW BRUNSWICK -  
COMPTABLES PROFESSIONNELS AGRÉÉS DU NOUVEAU-BRUNSWICK**

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To the Financial Statements

For the Year Ended March 31, 2017

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Statement of Financial Position	3.
Statement of Operations	4.
Statement of Changes in Net Assets	5.
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1.

CHARTERED PROFESSIONAL ACCOUNTANTS OF NEW BRUNSWICK -  
COMPTABLES PROFESSIONNELS AGRÉÉS DU NOUVEAU-BRUNSWICK  
Financial Statements  
Year Ended March 31, 2017

### **Management's Responsibility for Financial Reporting**

The preparation of financial information is an integral part of management's responsibilities and the accompanying financial statements are the responsibility of the management of the Chartered Professional Accountants of New Brunswick - Comptables professionnels agréés du Nouveau-Brunswick (the "Organization"). This responsibility includes the selection of appropriate accounting policies and making judgments and estimates consistent with generally accepted accounting principles in Canada.

Management maintains an accounting system and related controls to provide the Board of Directors and its members with reasonable assurance that transactions are executed and recorded as authorized, that assets are properly safeguarded and accounted for, and that financial records are reliable for the preparation of financial statements in accordance the Canadian accounting standards for not-for-profit organizations.

It is the responsibility of the Board of Directors to oversee management's performance of its financial reporting responsibilities and to review and approve the financial statements. It is assisted in its responsibilities by the Audit and Finance Committee. This committee reviews and recommends for approval the financial statements. Furthermore, it meets periodically with management and the external auditors concerning internal controls and matters related to financial reporting. Upon the recommendation of the Audit and Finance Committee, these financial statements are approved by the Board of Directors.

The Organization's external auditor, Allen, Paquet & Arseneau LLP, whose appointment was ratified at the annual general meeting of its members, have audited these financial statements and expressed their opinion thereon in the accompanying report.

Upon the recommendation of the Audit and Finance Committee, these financial statements have been approved by the Board of the Chartered Professional Accountants of New Brunswick - Comptables professionnels agréés du Nouveau-Brunswick.



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Nancy Whipp, CPA, CA  
President and Chief Executive Officer



*Allen, Paquet & Arseneau LLP*

Your business partner of choice  
Votre partenaire d'affaires par excellence

625, ave St. Peter Ave  
Bathurst, NB  
E2A 4Z6  
Tel: 506 546-1460  
Fax: 506 546-9950  
Info.Bathurst@apallp.com  
www.apallp.com

2.

## INDEPENDENT AUDITOR'S REPORT

To the Members of  
Chartered Professional Accountants of New Brunswick -  
Comptables professionnels agréés du Nouveau-Brunswick

### *Report on the Financial Statements*

We have audited the accompanying financial statements of the Chartered Professional Accountants of New Brunswick - Comptables professionnels agréés du Nouveau-Brunswick, which comprise the statement of financial position as at March 31, 2017, and the statement of operations, change in net assets and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as the Organization determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Organization, as well as evaluating the overall presentation of the financial statements.

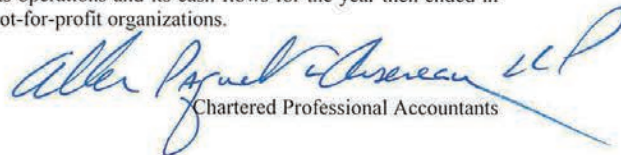
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Opinion*

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Chartered Professional Accountants of New Brunswick - Comptables professionnels agréés du Nouveau-Brunswick as at March 31, 2017 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Bathurst, NB

May 26, 2017



Chartered Professional Accountants

207, rue Roseberry St.  
Campbellton, NB

625, ave St. Peter Ave  
Bathurst, NB



829-1 King George Highway  
Miramichi, NB

356, rue Canada Street  
St-Quentin, NB

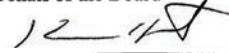
# FINANCIAL STATEMENTS



**CHARTERED PROFESSIONAL ACCOUNTANTS OF NEW BRUNSWICK -  
COMPTABLES PROFESSIONNELS AGRÉÉS DU NOUVEAU-BRUNSWICK**  
Statement of Financial Position

As at March 31	2017	2016
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash and Cash Equivalents (Note 4)	\$ 2,542,467	\$ 2,231,073
Accounts Receivable	179,297	211,711
Prepaid Expenses	22,179	28,629
	<u>2,743,943</u>	<u>2,471,413</u>
<b>NOTE RECEIVABLE (Note 5)</b>	73,725	73,725
<b>TANGIBLE CAPITAL ASSETS (Note 6)</b>	31,413	39,399
<b>LONG TERM INVESTMENTS (Note 7)</b>	1,013,442	-
	<u>\$ 3,862,523</u>	<u>\$ 2,584,537</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT</b>		
Accounts Payable and Accrued Liabilities	\$ 1,007,121	\$ 260,258
Payroll Source Deductions Payable	2,660	1,958
HST Payable	160,704	4,428
Deferred Revenue (Note 8)	1,287,592	1,308,065
Current Portion of Obligation under Capital Lease	2,976	5,130
	<u>2,461,053</u>	<u>1,579,839</u>
<b>OBLIGATION UNDER CAPITAL LEASE (Note 9)</b>	3,572	6,548
	<u>2,464,625</u>	<u>1,586,387</u>
<b>NET ASSETS</b>		
Invested in Tangible Capital Assets	31,413	39,399
Restricted (Note 10)	175,000	-
Unrestricted	1,191,485	958,751
	<u>1,397,898</u>	<u>998,150</u>
	<u>\$ 3,862,523</u>	<u>\$ 2,584,537</u>
<b>COMMITMENTS (Note 11)</b>		

On Behalf of the Board

  
Chair

  
Secretary-Treasurer

# FINANCIAL STATEMENTS



# CPA

NEW BRUNSWICK  
NOUVEAU-BRUNSWICK

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**CHARTERED PROFESSIONAL ACCOUNTANTS OF NEW BRUNSWICK -  
COMPTABLES PROFESSIONNELS AGRÉÉS DU NOUVEAU-BRUNSWICK**  
Statement of Operations

For the Year Ended March 31	2017	2016
<b>REVENUE</b>		
Member Dues	\$ 1,102,638	\$ 999,956
Member Events	163,434	185,777
Practice Fees	132,200	122,250
Admission Fees	20,700	51,750
Professional Corporation Fees	18,575	19,125
Other Revenue	5,433	12,153
	<b>1,442,980</b>	<b>1,391,011</b>
<b>EXPENDITURES BY FUNCTION</b>		
Salaries and Benefits	604,399	507,705
General and Administrative - Schedule A	247,378	252,005
Professional Standards - Schedule A	49,818	174,473
Legacy Bodies Restructuring Costs	20,364	94,487
National Committees Fees	78,185	92,704
Governance - Schedule A	60,555	76,588
	<b>1,060,699</b>	<b>1,197,962</b>
<b>EXCESS OF REVENUE OVER EXPENDITURES FROM OPERATIONS</b>	<b>382,281</b>	<b>193,049</b>
<b>INVESTING ACTIVITIES</b>		
Investment Expense	( 2,111)	-
Other income	14,430	13,379
Realized Gains	3,215	-
Unrealized Gains (Losses)	1,933	( 3,856)
	<b>17,467</b>	<b>9,523</b>
<b>EXCESS OF REVENUE OVER EXPENDITURES</b>	<b>\$ 399,748</b>	<b>\$ 202,572</b>



# FINANCIAL STATEMENTS



**CHARTERED PROFESSIONAL ACCOUNTANTS OF NEW BRUNSWICK -  
COMPTABLES PROFESSIONNELS AGRÉÉS DU NOUVEAU-BRUNSWICK**  
Statement of Changes in Net Assets

<b>For the Year Ended March 31</b>				<b>2017</b>			<b>2016</b>
	Invested in Tangible Capital Assets	Unrestricted	Restricted				
<b>NET ASSETS,</b>							
<b>Beginning of Year</b>	\$ 39,399	\$ 958,751	\$ -	\$ 998,150			\$ 795,578
Investment in Tangible Capital Assets	3,799	( 3,799)	-	-			-
Excess of Revenue Over Expenditures (Expenditures Over Revenue)	(11,785)	236,533	175,000	399,748			202,572
<b>NET ASSETS, End of Year</b>	<b>\$ 31,413</b>	<b>\$ 1,191,485</b>	<b>\$ 175,000</b>	<b>\$ 1,397,898</b>			<b>\$ 998,150</b>

# FINANCIAL STATEMENTS



**CHARTERED PROFESSIONAL ACCOUNTANTS OF NEW BRUNSWICK -  
COMPTABLES PROFESSIONNELS AGRÉÉS DU NOUVEAU-BRUNSWICK**  
Statement of Cash Flow

For the Year Ended March 31	2017	2016
<b>OPERATING ACTIVITIES</b>		
Excess of Revenue Over Expenditures	\$ 399,748	\$ 202,572
Item not involving cash:		
Amortization of Tangible Capital Assets	11,785	10,804
Realized Gains	( 3,215)	-
Unrealized Gains	( 1,933)	-
Change in non-cash working capital balances:		
Accounts Receivable	32,414	( 196,842)
HST Payable	156,276	68,145
Inventory	-	512
Prepaid Expenses	6,450	( 16,979)
Accounts Payable and Accrued Liabilities	746,863	115,558
Payroll Source Deductions Payable	702	475
Deferred Revenue	( 20,473)	1,307,490
	<b>1,328,617</b>	<b>1,491,735</b>
<b>INVESTMENT ACTIVITIES</b>		
Acquisition of Tangible Capital Assets	( 3,799)	( 3,250)
Disposal of Tangible Capital Assets	-	875
Acquisition of Long Term Investments	( 1,221,641)	-
Disposal of Long Term Investments	213,347	-
	<b>( 1,012,093)</b>	<b>( 2,375)</b>
<b>FINANCING ACTIVITY</b>		
Repayment of Obligation Under Capital Lease	( 5,130)	( 5,129)
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>311,394</b>	<b>1,484,231</b>
<b>CASH AND CASH EQUIVALENTS, Beginning of Year</b>	<b>2,231,073</b>	<b>746,842</b>
<b>CASH AND CASH EQUIVALENTS, End of Year (Note 4)</b>	<b>\$ 2,542,467</b>	<b>\$ 2,231,073</b>

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**CHARTERED PROFESSIONAL ACCOUNTANTS OF NEW BRUNSWICK -  
COMPTABLES PROFESSIONNELS AGRÉÉS DU NOUVEAU-BRUNSWICK**  
Notes to the Financial Statements

**For the Year Ended March 31, 2017**

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**1. PURPOSE OF THE ORGANIZATION**

CPA New Brunswick is an incorporated entity without share capital. CPA New Brunswick is a self-governing professional body, pursuant to the *Chartered Professional Accountants' Act 2014*, established to self-regulate its members in order to protect the interest of the public. It is also responsible to oversee the accreditation, education, professional development and member services for its Members.

CPA New Brunswick is a registered not-for-profit organization under the Income Tax Act, and as such, is exempt from income tax.

**Provincial Chapters**

CPA New Brunswick has eight established Chapters throughout the Province. The role of each Chapter is to actively promote professional development, hold social activities for its Members and Candidates and enhance the goodwill and image of CPA New Brunswick among its members and the general public. Each Chapter has its own Board and is regulated by CPA New Brunswick. The revenue and expenditures of the Provincial Chapters are not included in these financial statements.

Members of the Board are nominated by the Chapter membership and must be Members in good standing with CPA New Brunswick. Election of Board members takes place at the annual general meeting of the Chapter. The Board consists of not less than three and not more than twelve members.

Membership of the Chapter consists of all Members and Candidates of CPA New Brunswick in good standing and residing in the area designated by the Provincial Board. Responsibility for providing membership registers/rosters rests with CPA New Brunswick.

On a yearly basis each Chapter needs to present to CPA New Brunswick a list of planned activities for the upcoming year along with the year end financial statements. The Chapter may, at its discretion, obtain funds to defray the cost of its activities by levying fees on the participants in such activities. These fees form part of the revenue of the Chapter. The use of any excess revenue generated by the Chapter needs to be discussed with CPA New Brunswick. It is expected that Chapters will be financially self-sustaining.

The unincorporated provincial chapters operate as a not for profit and are exempt from tax under 149(1).

**2. SIGNIFICANT ACCOUNTING POLICIES**

**(a) Tangible Capital Assets**

Tangible capital assets are carried at cost less accumulated amortization. Amortization is calculated on a straight-line basis at the following annual rates:

Office Furniture and Equipment	10 Years
Computer Equipment and Software	4 Years
Leasehold Improvements	10 Years
Capital Leases:	
Photocopier	5 Years
Telephone System	3 Years

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**CHARTERED PROFESSIONAL ACCOUNTANTS OF NEW BRUNSWICK -  
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Notes to the Financial Statements

**For the Year Ended March 31, 2017**

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**2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(b) Revenue Recognition**

CPA New Brunswick follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenditures are incurred. Unrestricted contributions and membership dues are recognized as revenue on a deferred basis equally over the period covered by the dues when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Member activity fees, net of expenditures, are recognized when the particular activity is held and fees are received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Investment income is recognized as revenue when earned. Realized gains (losses) on sale of portfolio investments are calculated using the original cost of related investments. Unrealized gains (losses) on portfolio investments are calculated as the in-year change in excess (deficiency) of fair value over original cost of portfolio investments held.

**(c) Use of Estimates**

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenditures during the reporting period. These estimates are reviewed periodically, and as adjustments become necessary, they are reported in operations in the period in which they become known.

**(d) Contributed Services**

The work of CPA New Brunswick depends upon the voluntary service of many members. Since these services are not purchased by CPA New Brunswick and because of the difficulty in determining their fair value, contributed services are not recognized in these financial statements.

**(e) Financial Instruments**

CPA New Brunswick initially measures financial assets and financial liabilities at their fair value. It subsequently measures its financial assets and financial liabilities, other than investments, at amortized cost. The financial assets subsequently measured at amortized cost include cash and cash equivalents and accounts receivable. The financial liabilities subsequently measured at amortized cost include accounts payable and accrued liabilities, payroll source deductions payable, HST payable and obligation under capital lease. Investments are recorded at fair value and changes in fair value are recognized in the statement of operations.

**3. FINANCIAL INSTRUMENTS**

CPA New Brunswick is exposed to various risks through its financial instruments and has a risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about CPA New Brunswick's risk exposure and concentration as of March 31, 2017.



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**CHARTERED PROFESSIONAL ACCOUNTANTS OF NEW BRUNSWICK -  
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**3. FINANCIAL INSTRUMENTS (continued)**

**(a) Credit Risk**

Credit risk arises from the potential that a counter party will fail to perform its obligations. It is management's opinion that CPA New Brunswick is not exposed to significant credit risk as its accounts receivable arise mainly from transactions with several parties such as members, firms and Professional Corporations.

**(b) Currency Risk**

Currency risk is the risk to CPA New Brunswick's revenues and expenditures that arises from fluctuations of foreign exchange rates and the degree of volatility of these rates. It is management's opinion that CPA New Brunswick is not exposed to any currency risk as it had minimal transactions in foreign currency during 2016 - 2017.

**(c) Interest Rate Risk**

Interest rate risk refers to the risk that the fair value of a financial instrument or future cash flows associated with these instruments will fluctuate due to changes in market interest rates. CPA New Brunswick is directly and indirectly exposed to interest rate risk with regard to its cash and cash equivalents and fixed income security investments. CPA New Brunswick has no interest bearing liabilities and has developed its investment policy to help mitigate the risk of interest rate volatility.

**(d) Liquidity Risk**

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. CPA New Brunswick is exposed to this risk mainly in respect of its receipt of funds from its members and other related sources, accounts payable and accrued liabilities and other obligations. It is management's opinion that CPA New Brunswick is not exposed to significant liquidity risk.

**(e) Other Price Risk**

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk). The value of each investment is influenced by the outlook of the issuer and by the general economic and political conditions, as well as industry and market trends. All securities present a risk of loss of capital.

**4. CASH AND CASH EQUIVALENTS**

	2017	2016
Cash	\$ 2,026,008	\$ 1,415,170
Cash Equivalents	516,459	815,903
	<b>\$ 2,542,467</b>	<b>\$ 2,231,073</b>

Cash equivalents consist of short term investments that are highly liquid instruments and are measured at market value. As at March 31, 2017, the market value of cash equivalents includes accumulated unrealized losses of nil (2016 - \$3,856).

**CHARTERED PROFESSIONAL ACCOUNTANTS OF NEW BRUNSWICK -  
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**For the Year Ended March 31, 2017**

**5. NOTE RECEIVABLE**

	2017	2016
CPA Atlantic School of Business	\$ 73,725	\$ 73,725

Note receivable from CPA Atlantic School of Business is non-interest bearing with payment expected no later than June 30, 2019.

**6. TANGIBLE CAPITAL ASSETS**

			2017	2016
	Cost	Accumulated Amortization	Net	Net
Office Furniture and Equipment	\$ 38,105	\$ 19,544	\$ 18,561	\$ 25,654
Computer Equipment and Software	18,049	9,801	8,248	8,492
Leasehold Improvements	6,500	1,896	4,604	5,253
	\$ 62,654	\$ 31,241	\$ 31,413	\$ 39,399

**7. LONG TERM INVESTMENTS**

	2017	2016
Cash	\$ 223,829	\$ -
Fixed Income Securities	422,930	-
Equity Investments	156,527	-
Mutual Funds	191,883	-
Foreign Securities and Other	18,273	-
	\$ 1,013,442	\$ -

As at March 31, 2017, the market value of investments includes accumulated unrealized gains of \$1,933 (2016 - nil).

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**CHARTERED PROFESSIONAL ACCOUNTANTS OF NEW BRUNSWICK -  
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**For the Year Ended March 31, 2017**

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**8. DEFERRED REVENUE**

	2017	2016
Member Dues	\$ 1,225,817	\$ 1,231,250
Other	61,775	76,815
	<b>\$ 1,287,592</b>	<b>\$ 1,308,065</b>

**9. OBLIGATION UNDER CAPITAL LEASE**

CPA New Brunswick has entered into a five year lease agreement with Office Interiors for a photocopier. CPA New Brunswick considers the lease to be a capital lease. The lease is paid in quarterly payments of \$595 and matures on May 31, 2019. The balance remaining as of March 31, 2017 was \$5,954.

CPA New Brunswick has entered into a three year lease agreement with Blue-Chip Leasing Corporation for a telephone system. CPA New Brunswick considers the lease to be a capital lease. The lease is paid in monthly payments of \$229 and matures on April 30, 2017. The balance remaining as of March 31, 2017 was \$594.

The future minimum annual lease payments over the next three years are as follows:

2018	\$ 2,976
2019	2,382
2020	1,190
	<b>\$ 6,548</b>

**10. NET ASSETS - RESTRICTED**

CPA New Brunswick has one large professional conduct complaint that is ongoing. Due to the complexities of this complaint, the disciplinary process is progressing at a slower pace than anticipated. It is expected that the complaint will proceed and management has estimated that costs of \$175,000 will be incurred during the year ended March 31, 2018. Accordingly, accumulated profits of \$175,000 has been transferred from Unrestricted Net Assets and set up as a reserve in Restricted Net Assets to cover the anticipated future disciplinary hearing costs. Costs incurred related to this complaint will be expensed as incurred and properly taken into account in determining net income for the applicable period.

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**CHARTERED PROFESSIONAL ACCOUNTANTS OF NEW BRUNSWICK -  
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**For the Year Ended March 31, 2017**

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**11. COMMITMENTS**

CPA New Brunswick leases premises located at 860 Main Street, Suite 602, Moncton, New Brunswick. The lease, which is being accounted for as an operating lease, has future minimum payments over the next seven years approximately as follows:

2018	\$	63,306
2019		63,306
2020		63,306
2021		63,306
2022		63,306
2023		63,306
2024		5,275
		<hr/>
		\$ 385,111

**12. CPA ASSESSMENTS**

CPA New Brunswick carries out the billing and collection of active member dues on behalf of the Chartered Professional Accountants of Canada ("CPAC"). CPA New Brunswick remitted to CPAC prior to March 31, 2016 fees totaling \$805,582 for the year 2016-2017. The fees for the year 2017-2018 collected on behalf of CPAC totalling \$830,611 will be remitted post March 31, 2017 and as such form part of the current accounts payable balance.



**CHARTERED PROFESSIONAL ACCOUNTANTS OF NEW BRUNSWICK -  
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Schedule to the Financial Statements

For the Year Ended March 31, 2017

**A. SCHEDULE OF EXPENDITURES (REVENUE) BY FUNCTION**

	2017	2016
<b>General and Administrative</b>		
Audit	\$ 6,477	\$ 6,000
Bad Debts	3,750	3,158
Office Supplies	10,178	12,496
Rent	58,239	57,966
Database, Telephone, Internet and IT	39,112	26,734
Travel	10,092	18,948
Publicity, Marketing and Public Relations	29,330	25,732
Interest and Bank Charges	45,335	68,555
Amortization	11,785	10,804
Insurance	8,448	7,855
Other	24,632	13,757
	<b>\$ 247,378</b>	<b>\$ 252,005</b>
<b>Professional Standards</b>		
Professional Conduct	\$ 44,928	\$ 178,719
Practice Inspection	90,789	73,971
Fees Received	( 85,899)	( 78,217)
	4,890	( 4,246)
	<b>\$ 49,818</b>	<b>\$ 174,473</b>
<b>Governance</b>		
Legislative - Act & By-laws	\$ 13,930	\$ 44,650
Board of Directors	41,838	29,443
Audit Committee	113	225
Executive Committee	10	91
Other Committees	4,664	2,179
	<b>\$ 60,555</b>	<b>\$ 76,588</b>



# SPONSOR RECOGNITION



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