



CPA

CHARTERED
PROFESSIONAL
ACCOUNTANTS
MANITOBA

ANNUAL REPORT

2023-24

[CPAMB.CA](https://cpamb.ca)

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ABOUT US



Who We Are

The Chartered Professional Accountants of Manitoba (CPA Manitoba) is a regulatory body that represents more than **9,000** members, candidates and students. CPA Manitoba protects the public through rigorous educational and certification programs and ensures its members uphold the highest professional and ethical standards.



Mission

CPA Manitoba fosters public confidence in the CPA profession and acts in the public interest through its development and support of CPAs and CPA students and candidates with the competencies and resources to excel in all sectors.



Vision

To become the preeminent, internationally recognized Canadian accounting designation and business credential. CPA serves the public interest and is valued for its integrity and expertise.



CPA

CHARTERED
PROFESSIONAL
ACCOUNTANTS
MANITOBA

CPA MANITOBA BOARD



The goal of the CPA Manitoba Board is to ensure, as much as possible, that its composition accurately reflects the diversity of the membership in our province. This includes diversity of perspective, expertise, gender, ethnicity and geography. The Board aims to have representation from a variety of industry sectors, including small, medium, and large enterprises, government, education and public practice.



**DOUGLAS EINARSON,
FCPA, FCA**
CHAIR



**DEBORAH GRENIER,
FCPA, FCA**
VICE CHAIR



**GORDON DOWHAN,
FCPA, FCA**
BOARD MEMBER - PAST CHAIR



**LYNN BAILEY, FCPA,
FCGA**
EXECUTIVE MEMBER-AT-LARGE



BOARD MEMBER	BOARD MEETING ATTENDANCE	COMMITTEE MEETING ATTENDANCE
DOUGLAS EINARSON, FCPA, FCA	8/8	4/4
DEBORAH GRENIER, FCPA, FCA	8/8	4/4
LYNN BAILEY, FCPA, FCGA	7/8	4/4
KRISTIANNE DECHANT	6.5/8	4/4
HIPOLITO ALIBIN JR., CPA, CGA	5/8	3/4
JEREMY BOMHOF, CPA, CA	7/8	4/4
JODI CARRADICE	8/8	3/4
WENDY DYCK, CPA, CGA	4/8	2.5/4
SUSAN GOLDIE	8/8	4/4
HUGH GRANT	6.5/8	3.5/4
KATHY KALINOWSKY	7/8	2/4
ALEXANDER KIRSHNER, CPA, CGA	8/8	3/4
KENNETH KUSTRA, CPA, CA	6.5/8	4/4
BRIGITTE LAZARKO, CPA, CA	6/8	4/4
FRASER MCLEAN, CPA, CA	6.5/8	4/4

CHAIR & CEO REPORT

Introduction

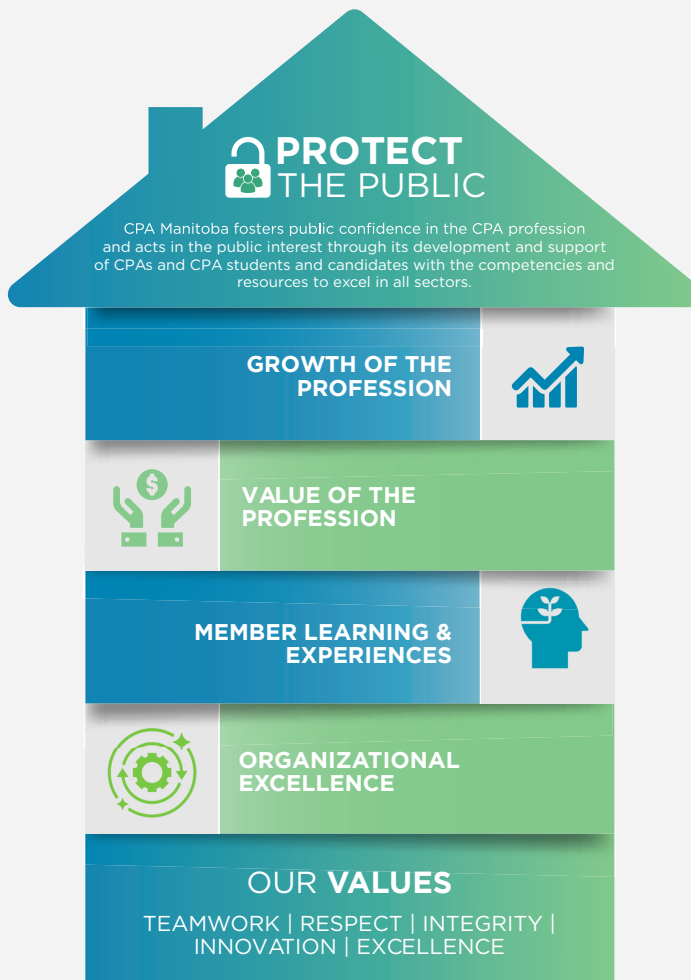
As a regulatory body, our primary purpose is to protect the public by adhering to *The Chartered Professional Accountants Act of Manitoba (The “CPA Act”)*, our bylaws, as well as international and national standards for the profession.

During the 2023-24 fiscal year, the Board and management focused on the following key areas of our three-year strategic plan:



Geeta Tucker
FCPA, FCMA,
PRESIDENT & CEO

Douglas Einarson
FCPA, FCA,
BOARD CHAIR



PROTECTING THE PUBLIC

At the core of the CPA profession is our commitment to protecting the public. CPA Manitoba carries out various regulatory processes to ensure the public is protected as required under The CPA Act. We have established a strong self-regulatory process and continue to work with the other Provincial, Territorial and Bermudian bodies to ensure consistency in this area.

To promote and increase the professional knowledge, skills and proficiency of its members, the CPA profession requires each member to complete a minimum amount of continuing professional development (CPD) each year and during any given three-year rolling cycle. This is an important element in maintaining public confidence and trust in CPAs.

Member and firm registration processes and practice inspection continue to function well, carrying out the regulatory standards of the profession. Firms providing public accounting services are inspected on a three-year risk-adjusted cycle and the inspection process continues to incorporate recommendations of the national Practice Inspection Program Standing Committee.

The CPA Act reserves audit and review engagement services to be provided only by CPAs. To that end, CPA Manitoba monitors the provision of these services and if it becomes aware of a non-member providing a reserved service, takes steps to ensure this is remedied.

The professional conduct process covering complaints against and discipline of members, candidates, students, and firms is determined by The CPA Act and bylaws. Staff continue to monitor and incorporate best practices made by the national Conduct & Discipline Standing Committee.

As part of the member portal launch in 2022, CPA Manitoba staff worked to provide additional features to streamline regulatory processes and improve member service. This included member registration renewal and continuing professional development tracking.

Members continue to receive the CPA Manitoba Regulatory Report and for the first time this year, we launched a Regulatory Report to the Public outlining how CPAs protect the public and contribute to the Canadian economy.

Our legislated committee members provide ongoing

leadership to the profession by ensuring that the high standards of our profession are maintained. We thank them for their valuable time and effort in doing this important work.

CPA Manitoba's Career Hub continues to provide a premium experience for organizations promoting career and volunteer opportunities, as well as for members, candidates and students searching for new roles. From April 1, 2023, until March 31, 2024, we hosted **206** job postings and **26** volunteer postings from **134** registered employers/community groups.

To meet the learning needs of our membership, CPA Manitoba continued to deliver a variety of events and professional development in both in-person and virtual formats.

At the end of May 2023, we co-hosted the ESG Symposium with CPA Canada. This virtual learning event was attended by over **700** participants from across the country and culminated in a member dinner at the Canadian Museum for Human Rights.





2023 CPA PRAIRIE CONNECTION CONFERENCE

On June 21 & 22, 2023, we hosted our first fully hybrid conference, the 2023 CPA Prairie Connection Conference, in collaboration with CPA Saskatchewan. Niigaan Sinclair was a notable keynote speaker on National Indigenous Peoples Day. Over 600 in-person and virtual attendees took part in sessions on two consecutive days.

We also hosted the Across the Regions Conference on October 12 & 13 in Brandon. Over 60 participants attended in-person to enjoy keynote speakers, concurrent sessions and networking.

We worked on launching a new Learning Management System for members which went live on April 1, 2024. This system improves member experience with respect to choosing, purchasing and tracking professional development.

The Professional Development Program offered a selection of over six hundred carefully curated options in technical and enabling competency areas for 2023-24. We collaborated with CPA Saskatchewan on the virtual seminars which resulted in more options for our members and reduced expenses for both organizations. Our virtual seminars had approximately 1,680 registrants. The on-demand

format continues to be a popular option with members, with approximately 4,200 registrations. Registration fees started at \$45, keeping CPD affordable for all members. Four virtual seminars were offered for free in collaboration with CPA Saskatchewan, with approximately 760 registrations from Manitoba. In addition, nine on-demand seminars were offered for free with approximately 3,220 registrations.

Competency areas covered:

- Corporate Finance
- Ethics
- Financial Reporting
- Assurance and Public Practice
- Management Accounting
- Strategy and Governance
- DEI and Indigenous Learning
- Information Technology
- Taxation
- Wealth Management
- Communication & Negotiation
- Problem Solving & Decision Making
- Self-Management & Wellness
- Teamwork & Leadership
- Human Resources

We recognized the incredible accomplishments of our members at the Member Recognition Gala held on May 11 at The Leaf at Assiniboine Park. In February, we announced the 2024 Member Recognition Program Award recipients who are listed on page 39 of this report.

On June 20, 2023, CPA Ontario and CPA Quebec announced that they would be leaving the Collaboration Accord. This agreement among the Provincial, Territorial and Bermudian bodies, as well as CPA Canada sets out how the bodies will work together to achieve a common mission and vision that best serves the interests of both the public and the CPA profession. Over the past year, the profession has held meetings with all Provincial, Territorial and Bermudian bodies, as well as CPA Canada, to develop a new way forward for the profession. CPA Manitoba hosted two Member Information Sessions, one in October and one in February, where CPA Canada's President & CEO, Pamela Steer, FCPA, FCA, CFA, spoke to members and hosted a Q&A about ongoing developments at CPA Canada.

Our Annual General Meeting was held on June 28, 2023. A significant number of attendees participated, ensuring quorum and thoughtful questions and feedback on several key topics.

We had the pleasure of celebrating the success of our graduates at Convocation which was held on February 10, 2024, at the RBC Convention Centre. We celebrated 162 graduates who passed the 2023 May and September Common Final Exam sittings.

CPA Manitoba focused on building long-lasting partnerships in 2023-24 with the Manitoba government and key stakeholders in the business community, to grow our influence and ensure an



adequate supply of future CPAs. With the Hon. Adrien Sala being appointed the new Minister of Finance, we look forward to continuing to develop a relationship with his office.

The Tax Committee continues to provide the provincial government with a pre-budget submission that focuses on key issues affecting Manitobans. For the 2024 budget, the recommendations focused on improving our province's tax competitiveness, especially in comparison to other provinces in Canada. We are happy to be engaged with Manitoba Finance to work on recommendations to improve the economic environment for all Manitobans.

CPA Manitoba continues to strengthen its relationships with post-secondary institutions in Manitoba. Recruitment efforts, sponsorships, and collaborations are some of the ways in which we work with the Asper School of Business at the University of Manitoba, the Business & Economics Faculty at the University of Winnipeg, and other institutions such as Brandon University and Red River College Polytechnic.

A key initiative continues to be CPA Manitoba's participation in the Indigenous Learners in Accounting Initiative. This program addresses systemic barriers like access to technology and incorporates Indigenous content, including case studies and business situations. We are also building mentorship programs and support structures to increase Indigenous representation in accounting.

2024 CPA MANITOBA CONVOCATION



LOOKING AHEAD



The coming years will be exciting for CPA Manitoba as it works together with other CPA bodies and CPA Canada to develop new ways to collaborate and advance the profession in Canada. The landscape of the profession is changing, and while the impact on CPA Manitoba is known to some extent, there remains a level of uncertainty as new profession-wide governance structures are established. We are encouraged by the commitment of all parties to maintaining and enhancing a strong accounting profession in Canada. CPA Manitoba continues to strive toward controlling costs and member fees throughout these changes.



Work continues on a New Certification Program for admission of CPAs to the profession. The new program will launch in early 2027 and consultations are underway with employers and leaders from post-secondary institutions.

To better understand member engagement, CPA Manitoba conducted a Member Engagement Survey in the fall of 2023. The results of the survey were available in early 2024 and action plans were developed to improve member service, communication with members and overall improvements in our offerings.

As a large membership organization with reach in all corners of our province, it is incredibly important that we ensure equity, diversity and inclusion (EDI) are at the forefront. This year, we established both member and staff EDI advisory groups. We continue to provide opportunities for our staff and Board to learn about Indigenous culture and history, as well as the systemic barriers to entry into our profession.

In January 2024, the Board of Directors and senior staff received a presentation from Dr. Robert Andrews, CPA, CMA, Executive Director of AFOA Alberta and Yuen Ip, MBA, CPA, CMA, PMP, ICD.D, CEO of the CPA Western School of Business on the barriers Indigenous learners face when joining the accounting profession. We continue to offer diversity and inclusion training to the CPA Manitoba staff and Board and have several professional development opportunities for our members in this area.

CPA Manitoba staff continue to work in a hybrid environment where staff are offered the flexibility to work away from the office while serving the needs of our members. Staff come together in person at several points during the year including departmental meetings and collaboration activities, monthly staff meetings, professional development opportunities, member events, team-building events and meetings where outcomes depend on in-person participation.



ADVANCING EDI: DEMONSTRATING PROGRESS ON OUR 3-YEAR STRATEGIC PLAN

With over 9,000 members, candidates and students in Manitoba, CPA Manitoba and the CPA Manitoba Foundation have a major opportunity to provide impact through our network of financial leaders in the province.

best serves the public interest. Aligning the values of CPAs and the public can be realized when inclusion is a top priority. This is why we are committed to furthering our EDI efforts throughout every facet of our organization.

Our work touches many different people. We learned that a diverse workforce and member community

This was the second year of our initial 3-year strategic plan.



By continuing to strengthen the knowledge and capacity of our staff and Boards, we ensure that our organization’s representatives are equipped with EDI tools that serve our membership in a responsible way.

regulatory processes, hiring practices and member professional development with an EDI lens. The Boards have committed to annual learning and EDI is a standing agenda item at governance meetings.

Internally, we are committed to continuous learning and reviewing all facets of our organization such as

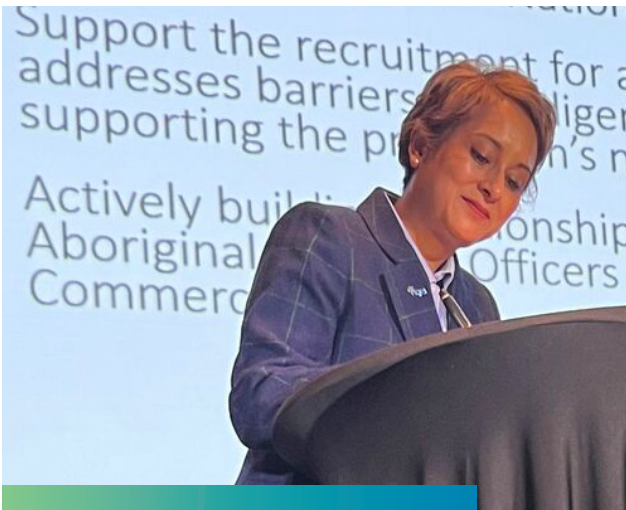
OUR EDI COMMITMENT



We want to celebrate differences and cultivate a culture of belonging and accountability where every CPA Manitoba employee, student, and member feels genuinely welcomed and respected. This will benefit not only our CPA Manitoba employees and members but also every person that interacts with the profession.

Using a collaborative approach, we gathered valuable feedback from staff and formed a Staff EDI Advisory Group. Externally, providing a comprehensive catalogue of EDI-related seminars and conference sessions has assisted our members in their learning journeys.

In November 2023, CPA Manitoba was proud to become a signatory of the City of Winnipeg's Indigenous Accord demonstrating our commitment to Truth and Reconciliation.



We also support the Indigenous Learners in Accounting Initiative, a collaboration between the Aboriginal Financial Officers Association of Alberta, the CPA Western School of Business and CPA Canada. The program is a significant step forward in addressing the systemic barriers faced by Indigenous learners in the field of accounting.

Through courses developed by Indigenous subject matter experts, supported by Indigenous facilitators, and taught by Indigenous instructors, this program offers a holistic approach to education that honours Indigenous knowledge and empowers learners to succeed.

The CPA Manitoba Foundation is proud to partner with Gakino'amaage: Teach For Canada, a non-profit organization that works with northern First Nations communities to recruit, prepare, and support committed teachers. Consistent and quality education during early learning years is essential to fostering a passion for education.

We were honoured to present our EDI journey at a Winnipeg Chamber of Commerce event to the business community. As partners in the CODE movement, we recognize the importance of demonstrating our commitment to EDI and appreciate the opportunities to learn and connect with other organizations on similar journeys.

We know that Manitoba is home to a diverse population. Our goal is for our CPA membership to be representative of the provincial community that we serve.

To accomplish this, we are investing in education at very early levels, thereby improving numeracy skills and enhancing the learning journey for students who were traditionally unable to access equitable education in Manitoba.

Supporting a positive learning journey for Manitoba youth fosters an appreciation for education and may ultimately inspire them to consider post-secondary education and advanced credentials, such as the CPA designation. Encouraging youth has downstream effects of strengthening the workforce and the overall economy.

At the same time, investing in our membership will allow our members to support their employers and the non-profit organizations they volunteer with. This will strengthen economic outcomes in our province. Making the profession more inclusive by having more inclusive and accessible communications will allow people to see themselves in what we do.

EDI is a strong tool, that if invested in properly, will greatly enhance the communities in which we live. CPA Manitoba and the CPA Manitoba Foundation are already making a difference by reducing barriers to our programs and creating an impact through the support we offer.

Our work has not gone unnoticed by the Winnipeg business community: CPA Manitoba was nominated as a finalist in the CODE (Commitment to Opportunity, Diversity and Equity) category for the 2024 Spirit of Winnipeg Awards.

MANAGEMENT DISCUSSION & ANALYSIS

The Chartered Professional Accountants Act (the Act) was proclaimed on September 1, 2015, establishing Chartered Professional Accountants of Manitoba (CPA Manitoba). As specified by legislation, the objectives of CPA Manitoba are:

OBJECTIVE 1

to regulate and govern its members, candidates, students, professional corporations and firms, including the professional conduct and discipline of such persons, in accordance with this Act, the principles of self-regulation and the public interest;

OBJECTIVE 2

to establish standards of academic achievement and other qualifications required for registration as a member, candidate or student;

OBJECTIVE 3

to issue certificates of registration and regulate the use of restricted titles, designations, and abbreviations, including “Chartered Professional Accountant”, “CPA”, and related variations;

OBJECTIVE 4

to regulate the provision of professional services by its members, candidates, students, professional corporations and firms, including reasonable measures to ensure that reserved public accounting services are provided only by persons authorized to do so;

OBJECTIVE 5

to promote and increase the professional knowledge, skill and proficiency of its members, candidates and students; and

OBJECTIVE 6

to promote and foster a greater public awareness of, and confidence in, the professional accounting profession.

Governance



CPA Manitoba was governed by a board of 15 members, including five public representatives in 2023-24. The board also includes the CEO and past chair as ex-officio members.

Five committees of the Board assist with governance. They are the Executive, Governance and Nominating, Audit and Risk, Member Recognition Program, and Ownership Linkage committees. As well, the following legislated committees support CPA Manitoba's regulatory responsibilities: Registration, Complaints Investigation, Discipline, Appeals and Practice Inspection committees. Additionally, the Board may establish other advisory committees and work groups from time to time.

The Board follows a Policy Governance Model[®] to govern CPA Manitoba's affairs. Accordingly, it sets Ends, Executive Limitations, Governance Processes and Board-CEO Relationship policies.

To most effectively achieve the Ends, management creates a strategic plan, complete with strategies, tactics, performance indicators, and an operations budget. The CEO provides regular reporting on the success of initiatives, as well as an annual summary report to the Board explaining CPA Manitoba's progress towards achieving these objectives.

Management Responsibility

Management is responsible for developing and implementing a strategic plan to achieve the Ends policies established by the Board. Included in this plan are a situational analysis, risk assessment, and strategic themes, which are highlighted in the Chair and CEO report, as well as key operational strategies and related key performance indicators.

The annual budget and two-year forecasts are prepared within the Executive Limitations set by the Board. The Executive Limitations act as controls, establishing specific parameters on the CEO's scope of authority to ensure CPA Manitoba operates in a manner that is consistent with the Ends, with integrity and respect and is fiscally responsible.

More specifically, the Executive Limitations provide guidance with respect to financial planning and budgeting, financial conditions and activities, asset protection, risk management, and human resource policies. Compliance reporting to the Board on these requirements is done on a regular basis.

Management fulfills its financial reporting obligation with quarterly reporting to the Board and publication of the annual report to the membership and public.

The financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. Management is responsible for maintaining appropriate internal controls to best ensure the preparation of financial statements that are free from material misstatement.

The information contained within this management discussion and analysis report is intended to complement and supplement the audited financial statements. The report is prepared by management and is not audited. Where applicable, the information is consistent with the audited financial statements.

The Audit and Risk Committee (Committee) meets quarterly with management. The external auditors are given notice of and the opportunity to attend each meeting. The Committee has an oversight role regarding financial reporting (including budget and quarterly reviews), financial risk (net assets, cyber security reporting, compliance reporting, and high-level review of the risk heat map), disclosure principles and practices, as well as the external audit process. Other matters are considered as seen to be appropriate by the Committee or delegated to the Committee by the Board.

2023-24 FINANCIAL PERFORMANCE

The following discussion lays out the financial position, results of operations, and cash flows of CPA Manitoba for the year ended March 31, 2024. This includes the key drivers of revenues, expenses and investments. It should be read in conjunction with the audited financial statements and accompanying notes for the same period.

Statement of Financial Position

CPA Manitoba's net asset position remains strong at \$5.2 million as of March 31, 2024, compared to \$5.7 million in 2023. The reduction in net assets was primarily due to the planned deficit incurred over the year, aimed at supporting strategic investments in the profession, including enhancements to our CPA education programs. These initiatives are designed to ensure the long-term sustainability

and continuity of our profession. Despite these planned deficits, the organization remains in a strong financial position.

Member fees are billed annually with a due date of April 1. Fees paid prior to April 1 result in higher levels of cash, unearned fees and accounts payable to CPA Canada on March 31.

Risk Analysis & Net Asset Policy

CPA Manitoba manages risk with an annual comprehensive review of its risks and mitigating strategies. From the annual review, a risk heat map is developed, which measures the likelihood of occurrence and the potential impact risks would have on the organization's ability to meet its objectives. Where possible, these risks are quantified. From this, a formula is established to calculate the desired range at which Unrestricted Net Assets (UNA) are to be maintained. Factors considered in the calculation included three to six months of operating costs, major regulatory costs, three-

year capital and strategic requirements, as well as other contingencies.

The Net Asset Policy was reviewed and re-approved by the Board during the year, along with the UNA target range. The investment policy, which is also reviewed and approved annually, aligns with both short-term and long-term cash requirements. It includes guidelines for responsible investing that take into account the environmental, social, and governance aspects of the entities in which CPA Manitoba invests.

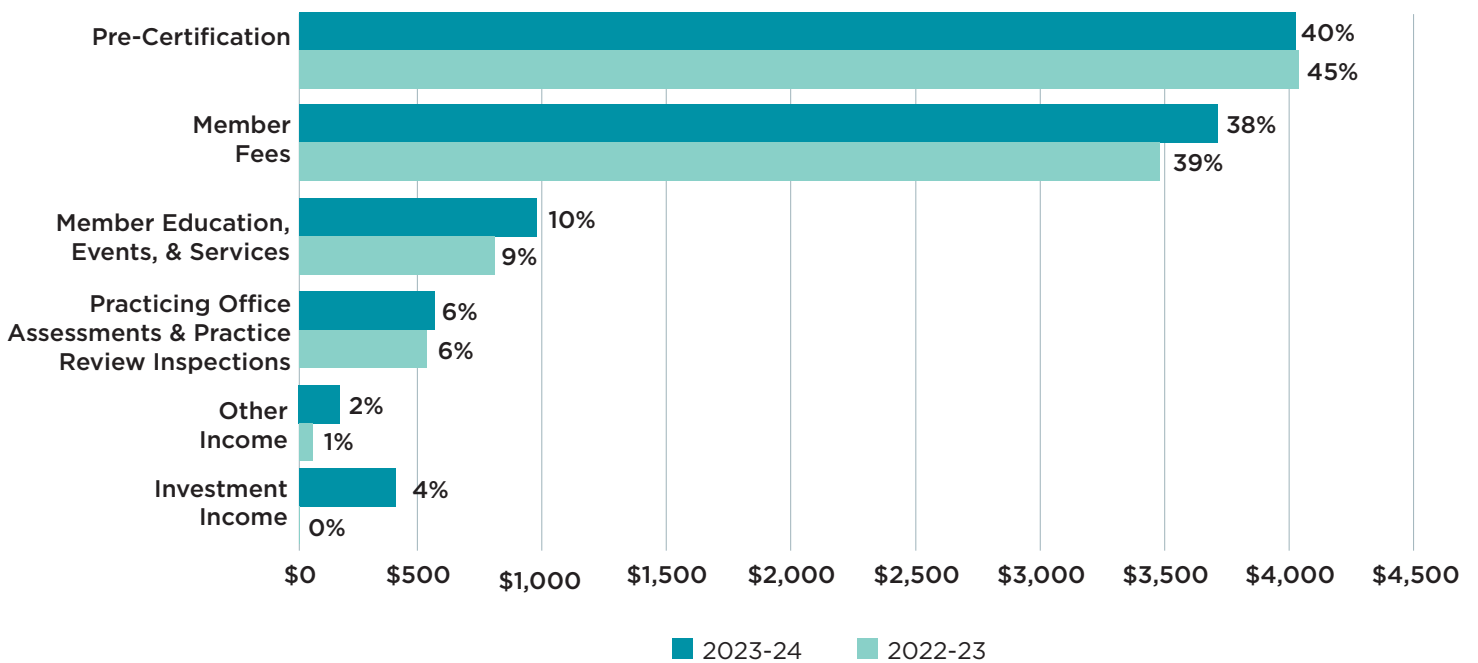
Results from Operations

CPA Manitoba operations in fiscal 2023-24 resulted in a deficit of \$517 thousand, compared to a deficit of \$1.51 million in the prior year. The planned deficit, which aligned with the strategic plan, was impacted by lower enrollments and higher costs in pre-certification education. However, these challenges were more than compensated by reduced spending in other operational areas and investment returns.

REVENUE

CPA Manitoba is funded through several sources of revenue, allowing the organization to fulfill its mandate under the CPA Act. These revenues support the various activities and programs provided by CPA Manitoba and allow the profession to self-regulate.

Revenue by Source
(000's)



Pre-Certification

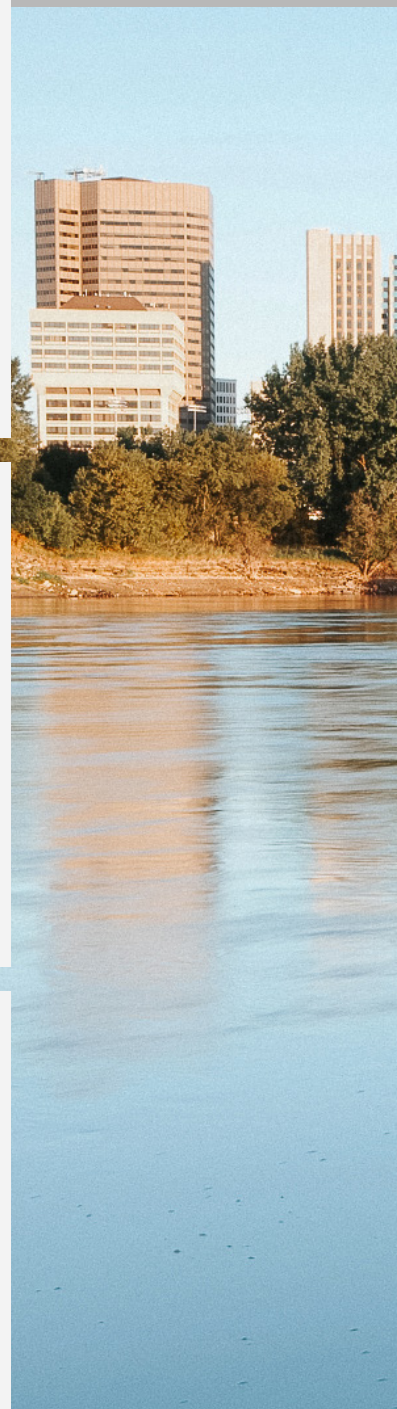
Pre-certification revenue is provided by the operating agreement with the CPA Western School of Business (CPAWSB), whereby the school collects revenue on behalf of the western provinces and delivers the PREP and PEP programs for provincial candidates and students. In 2023-24, program demand was lower than expected and fell below the previous year's levels. However, an annual increase in program fees compensated for this decline, keeping overall revenues in line with the prior year.

Member Fees

Member fee categories include regular and affiliate, with additional revenue generated from entrance and compliance fees. Compared to 2022-23, net revenue from member fees increased by \$209 thousand. The increase was primarily driven by the increase in regular member fees from \$625 in 2022-23 to \$665 in 2023-24. Registration statistics are included on page 38 of the annual report.

Member Education, Events & Services

Revenue from member education, events, and services for the fiscal year 2023-24 increased by \$202 thousand compared to the previous year. There were several key events held throughout the year, including the Member Recognition Gala, CPA Prairie Connection Conference, Across the Regions Conference, Member Milestone & Volunteer Celebration, and Convocation CPA Manitoba continued to offer a wide array of virtual and on-demand member education, with sales remaining relatively strong, though slightly lower than the previous year. This decline in sales may be linked to the increasing number of providers in the on-demand market.





Practicing Office Assessments & Practice Inspections

Revenue from practicing office assessments and practice inspections was \$62 thousand higher than the previous year, driven by a modest increase in permit fees and a rise in the number of practice inspection hours. Practice inspections are conducted on a three-year cycle, with slight variations in the number of inspection hours each year. Practice inspections are conducted on a three-year cycle, leading to periodic fluctuations in revenue as not all cycles are equal.

Other Revenue

Revenue from other sources increased by \$131 thousand compared to the previous year. This growth was driven by a combination of salary reimbursements from various national committees, information technology support provided to CPAWSB and other CPA bodies, and income from subleasing a portion of CPA Manitoba's office space.

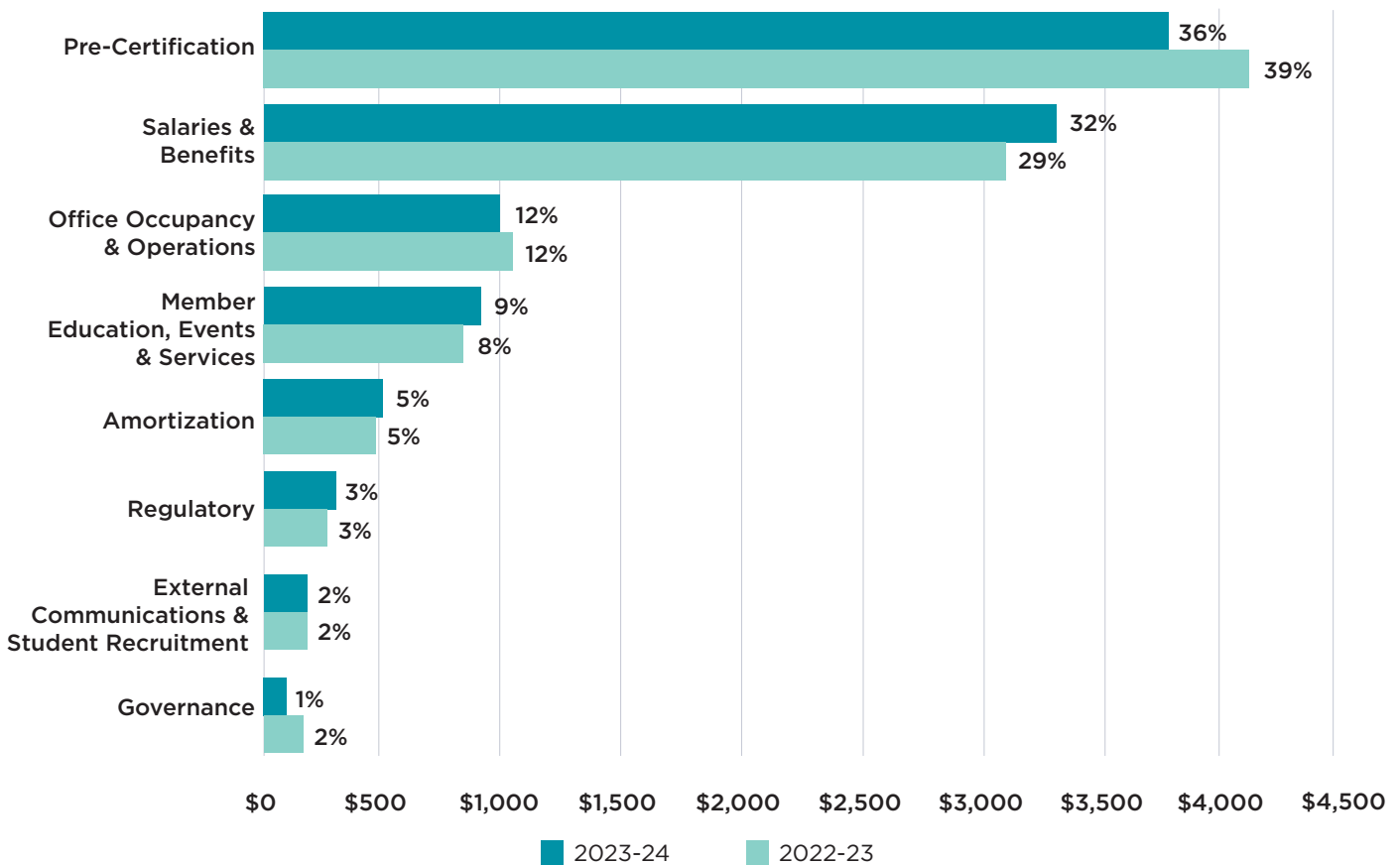
Investment Income

CPA Manitoba's investments are in a diversified portfolio that includes fixed-income, equity, and real estate investments. These investments are measured at market value. The portfolio generated significant realized and unrealized returns in 2023-24, with \$58 thousand in investment income being driven by bank interest.

EXPENSES

CPA Manitoba incurs expenses to fulfill its mandate under the CPA Act and to support the various activities and programs provided by the organization.

Expense by Source
(000's)



Pre-Certification

In 2023-24, CPAWSB's costs as a percentage of revenues were significantly lower than in the previous year.

Included in pre-certification expenses are shared costs associated with CPA Canada's development of pre-certification education, administration of the CFE, and development of the New Certification Program. Costs are allocated to each province based on their proportionate share of members.

Salaries & Benefits

CPA Manitoba maintains a high-calibre, high-performing staff to fulfill its mandate while focusing on long-term fiscal sustainability. Salaries and benefits increased over the previous year, primarily due to the addition of a nationally funded position and a marginal increase attributed to inflationary effects.

Office Occupancy & Operations

Office occupancy and operation expenses, which encompass costs related to leased office space, administration, and information technology, were \$42 thousand lower than the previous year. This reduction was primarily driven by savings achieved through the increased use of in-house resources for IT projects associated with the three-year strategic plan.

Operating costs and property taxes for leased office space increased marginally over the previous year. In 2023, CPA Manitoba took advantage of an opportunity to sublease a portion of its underutilized office space, a strategy expected to help offset these costs in future years. Revenues from this sublease have been included under other income.



Member Education, Events & Services

Expenses related to member education, events and services increased by \$85 thousand over the previous year. This increase was primarily attributable to the increase in the number of events held within the year and was offset by the increase in revenue. Member education continued to provide strong margins, benefitting from collaborative efforts with the western provinces.

Regulatory

In 2023-24, CPA Manitoba received 11 fewer complaints than in the previous year. Although the number of complaints decreased, the complexity of associated regulatory issues escalated substantially. This complexity necessitated increased professional fees, which constituted a major part of the regulatory expenses. As a result, the overall expenses remained on par with the previous year, despite the reduction in complaints.

Collaboration with Related Entities

CPA Manitoba works collaboratively with numerous related organizations, including CPA Canada, CPA Provincial, Territorial and Bermudian bodies, CPAWSB, and the CPA Manitoba Foundation.

The Governors of the Profession and the Council of Chief Executives meet regularly to discuss matters regarding the CPA profession in Canada and internationally. To achieve strategic national initiatives, a cost-sharing agreement with CPA Canada and the other provincial bodies is in place. Shared costs include branding, public trust, member engagement and professional education initiatives. Manitoba's costs are included within various expense categories on the statement of operations.

CPA Manitoba also participates in the Western Regional Forum, which consists of CEOs and Governors from western provinces and territories. Through this forum, the provincial bodies work closely together to support the interests of CPAs across Western Canada.

CPA Manitoba continues to work collaboratively with CPAWSB. The Western CEOs are members of the Board that governs the school. Provincial staff work closely with the school's staff in the recruitment, practical experience and regulatory areas.

OUTLOOK

The landscape of the CPA profession has shifted significantly over the past year. To be successful in the coming years, CPA Manitoba will need to be agile in its ability to address challenges and take on new opportunities. The organization remains in strong financial health, with management diligently monitoring the evolving landscape of our profession. As these changes are navigated and taken alongside an increasingly complex regulatory environment, new business models and fiscal strategies may need to be explored to maintain CPA Manitoba's solid financial performance.

Collaboration will be pivotal over the coming years. CPA Manitoba is committed to fostering strong relationships with other CPA Provincial, Territorial and Bermudian bodies, CPA Canada, CPAWSB, and the CPA Manitoba Foundation, as well as key stakeholders, including members, candidates, students, employers, post-secondary institutions, the business community, and governments, to help achieve the strategic Ends.

CPA Manitoba's commitment to its mandate to Protect the Public alongside its focus on the Growth of the Profession, Value of the Profession, Member Learning and Experiences, and Organizational Excellence, will ensure that it remains a relevant, healthy and vibrant organization in the coming years.



INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Chartered Professional Accountants of Manitoba:

Opinion

We have audited the accompanying financial statements of Chartered Professional Accountants of Manitoba (CPA Manitoba), which comprise the statement of financial position as at March 31, 2024, and the statements of operations, changes in net assets and cash flows for the year then ended, and the notes to financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Chartered Professional Accountants of Manitoba as at March 31, 2024, 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.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of CPA Manitoba in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises CPA Manitoba's annual report.

Our opinion on financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

The annual report is expected to be made available to us after the date of the auditors' report. If, based on the work we will perform on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing CPA Manitoba's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate CPA Manitoba or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing CPA Manitoba's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 CPA Manitoba's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on CPA Manitoba's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause CPA Manitoba to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Winnipeg, Manitoba
June 6, 2024**

Fort Group
**CHARTERED PROFESSIONAL
ACCOUNTANTS INC.**

CHARTERED PROFESSIONAL ACCOUNTANTS OF MANITOBA
(Incorporated by *The Chartered Professional Accountants Act of Manitoba*)
STATEMENT OF FINANCIAL POSITION
MARCH 31, 2024

	<u>2024</u>	<u>2023</u>
ASSETS		
CURRENT ASSETS		
Cash	\$ 4,215,280	4,132,680
Accounts receivable (Note 3)	246,460	320,530
Inventory	17,200	10,163
Prepaid expenses	296,817	319,086
Due from related parties (Note 11)	<u>1,848,711</u>	<u>1,396,794</u>
	6,624,468	6,179,253
LONG-TERM INVESTMENTS (Note 4)	4,217,537	4,901,615
TANGIBLE CAPITAL ASSETS (Note 5)	587,529	728,294
INTANGIBLE ASSETS (Note 6)	<u>161,424</u>	<u>475,286</u>
	<u>\$ 11,590,958</u>	<u>12,284,448</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable and accruals (Note 7)	\$ 768,428	707,581
Unearned fees (Note 8)	4,561,269	4,594,322
Due to related parties (Note 11)	843,739	996,434
Current portion of deferred lease inducement (Note 9)	<u>52,058</u>	<u>52,058</u>
	6,225,494	6,350,395
DEFERRED LEASE INDUCEMENT (Note 9)	<u>195,226</u>	<u>247,284</u>
	<u>6,420,720</u>	<u>6,597,679</u>
COMMITMENTS (Note 10)		
NET ASSETS		
Invested in tangible capital assets and intangible assets	501,669	904,238
Unrestricted	<u>4,668,569</u>	<u>4,782,531</u>
	<u>5,170,238</u>	<u>5,686,769</u>
	<u>\$ 11,590,958</u>	<u>12,284,448</u>

APPROVED BY THE BOARD:

D. Emerson **Chair**

J. Tucker **Secretary-Treasurer**

**CHARTERED PROFESSIONAL ACCOUNTANTS OF MANITOBA
STATEMENT OF OPERATIONS
YEAR ENDED MARCH 31, 2024**

	<u>2024</u>	<u>2023</u>
REVENUE		
Member fees	\$ 5,861,291	5,657,989
Less: National fees and assessment (Note 11)	<u>(2,118,886)</u>	<u>(2,124,470)</u>
	3,742,405	3,533,519
Pre-certification (Note 11)	4,029,332	4,024,625
Investment (Note 4)	401,263	16,242
Member education, events and services	986,138	784,528
Practicing office assessments and practice inspection	582,605	520,740
Other	<u>175,978</u>	<u>44,771</u>
	<u>9,917,721</u>	<u>8,924,425</u>
EXPENSES		
Pre-certification (Note 11)	3,818,536	4,099,698
Salaries and benefits	3,305,891	3,059,999
Office occupancy and operations (Note 9)	1,221,830	1,263,774
Amortization of tangible and intangible capital assets	498,541	478,467
Member education, events and services	908,070	822,842
Regulatory	333,504	309,749
External communications and student recruitment (Note 11)	224,871	222,473
Governance	<u>123,009</u>	<u>175,537</u>
	<u>10,434,252</u>	<u>10,432,539</u>
DEFICIENCY OF REVENUE OVER EXPENSES	<u>\$ (516,531)</u>	<u>(1,508,114)</u>

**CHARTERED PROFESSIONAL ACCOUNTANTS OF MANITOBA
STATEMENT OF CHANGES IN NET ASSETS
YEAR ENDED MARCH 31, 2024**

	Invested in tangible capital assets and intangible assets	Unrestricted	Total 2024	Total 2023
NET ASSETS, BEGINNING OF YEAR	\$ 904,238	4,782,531	5,686,769	7,194,883
Deficiency of revenue over expenses	(462,969)	(53,562)	(516,531)	(1,508,114)
Investment in tangible capital assets and intangible assets	<u>60,400</u>	<u>(60,400)</u>	<u>-</u>	<u>-</u>
NET ASSETS, END OF YEAR	\$ <u>501,669</u>	<u>4,668,569</u>	<u>5,170,238</u>	<u>5,686,769</u>

5.

**CHARTERED PROFESSIONAL ACCOUNTANTS OF MANITOBA
STATEMENT OF CASH FLOWS
YEAR ENDED MARCH 31, 2024**

	<u>2024</u>	<u>2023</u>
CASH PROVIDED BY (USED IN):		
OPERATING ACTIVITIES		
Member fees and pre-certification	\$ 7,448,384	8,559,194
Member education, events and services	1,024,445	821,742
Practicing office assessments and practice inspection	594,257	496,552
Investments and other	422,584	236,524
Cash disbursements	<u>(10,165,020)</u>	<u>(10,074,042)</u>
	<u>(675,350)</u>	<u>39,970</u>
INVESTING ACTIVITIES		
Purchase of investments	(122,291)	(129,669)
Proceeds on sales of investments	961,093	521,061
Purchase of tangible capital assets and intangible assets	<u>(60,400)</u>	<u>(73,972)</u>
	<u>778,402</u>	<u>317,420</u>
FINANCING ACTIVITIES		
Advance from (to) related party	<u>(20,452)</u>	<u>10,127</u>
INCREASE IN CASH	82,600	367,517
CASH, BEGINNING OF YEAR	<u>4,132,680</u>	<u>3,765,163</u>
CASH, END OF YEAR	<u>\$ 4,215,280</u>	<u>4,132,680</u>

**CHARTERED PROFESSIONAL ACCOUNTANTS OF MANITOBA
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2024**

1. ACCOUNTING ENTITY

Chartered Professional Accountants of Manitoba (CPA Manitoba) is the self-regulating body for all Chartered Professional Accountants in Manitoba. Its mission is to foster public confidence in the CPA profession and act in the public interest through its development and support of CPAs and CPA students and candidates with the competencies and resources to excel in all sectors.

CPA Manitoba was incorporated by The Chartered Professional Accountants Act, a special act of the Manitoba Legislature. As a not-for-profit organization, CPA Manitoba is exempt from tax under the Income Tax Act.

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

An underlying assumption of the preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations is that the entity will continue for the foreseeable future and will be able to realize its assets and discharge liabilities in the normal course of operations.

The financial statements include the following significant accounting policies:

(a) Investments

Investments are comprised of units of pooled funds.

Pooled funds are initially recognized and subsequently measured at fair value, determined using quoted market prices. Transaction costs and net gains and losses arising from changes in fair value are immediately recognized in operations.

(b) Tangible Capital Assets

Tangible capital assets are recognized at cost and amortized over their estimated lives using the straight-line method as follows:

Furniture	10 years
Computer equipment	2-5 years
Office equipment	5 years
Signs	5 years

Amortization of leasehold improvements is recorded on a straight-line basis over the remaining term of the lease.

Subsequent to initial recognition, tangible capital assets are accounted for at cost less accumulated amortization and accumulated impairment losses. When management observes conditions that indicate that a tangible capital asset is impaired, the net carrying amount of the tangible capital asset is written down to the asset's fair value or replacement cost. The write-downs of tangible capital assets are accounted for as expenses in the statement of operations.

(c) Intangible Assets

Intangible assets are recognized at cost and amortized over their estimated lives using the straight-line method as follows:

Website	3 years
Member management system	3 years

7.

**CHARTERED PROFESSIONAL ACCOUNTANTS OF MANITOBA
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2024**

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) Intangible Assets (Continued)

Internally generated intangible assets include the costs incurred for the development of the website and member management system and are not amortized until completed and operational.

Subsequent to initial recognition, intangible assets are accounted for at cost, less accumulated amortization and accumulated impairment losses. When management observes conditions that indicate that an intangible asset is impaired, the net carrying amount of the intangible asset is written down to the asset's fair value or replacement cost. The write-downs of intangible assets are accounted for as expenses in the statement of operations.

(d) Deferred Lease Inducements

Lease inducements are amortized on a straight-line basis over the remaining term of the lease.

(e) Revenue Recognition

Member fees, practicing office assessments and practice review revenue are recognized in the year to which they relate. Pre-certification, member education and event revenue are recognized when the event is presented. On-demand member education is recognized when the member receives access to the seminar.

Investment income on pooled funds is recorded on a proportionate share of revenue, gains, losses, and expenses within the pooled funds, as well as on disposition of units owned. Investment income includes dividends, interest, and realized/unrealized gains and losses.

Other income, which includes various cost recoveries and revenue from services provided to other accounting bodies, is recorded in the year to which it relates.

(f) Financial Instruments

Financial instruments held by CPA Manitoba include cash, accounts receivable, due from (to) related parties, long-term investments, and accounts payable and accruals. CPA Manitoba initially measures its financial instruments at fair value when the asset or liability is first recognized. CPA Manitoba subsequently measures all financial assets and liabilities at amortized cost, except for long-term investments held in pooled funds, which are measured at fair value.

(g) Accounting Estimates

The preparation of the financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Estimates include amounts payable for services not billed yet at the time these financial statements were approved and the useful life of tangible capital assets. Actual results may differ from estimates.

(h) Contributed Services and Donated Materials

The work of CPA Manitoba is dependent on voluntary services of many members and public representatives. The value of these donated services are not recognized in financial statements.

**CHARTERED PROFESSIONAL ACCOUNTANTS OF MANITOBA
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2024**

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Inventory

Inventory includes various CPA branded promotional products and is measured at the lower cost and replacement value. Cost is determined using the first-in, first-out method.

(j) Related Party Transactions

The transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

3. ACCOUNTS RECEIVABLE

	<u>2024</u>	<u>2023</u>
CPA accounting bodies	\$ 193,145	253,759
Member and other	<u>53,315</u>	<u>66,771</u>
	<u>\$ 246,460</u>	<u>320,530</u>

4. LONG-TERM INVESTMENTS

The fair value of long-term investments is disclosed below:

	<u>2024</u>	<u>2023</u>
Canadian fixed income funds	\$ 1,656,548	1,793,096
Equity funds	2,154,751	2,557,698
Canadian real estate funds	<u>406,238</u>	<u>550,821</u>
	<u>\$ 4,217,537</u>	<u>4,901,615</u>

Investments in pooled funds are made available through The Canada Life Assurance Company. The managers of the funds include Mackenzie Investments, GWL Realty Advisors, The Canada Life Assurance Company (Commercial Mortgage Investments team) and JP Morgan Asset Management.

CPA Manitoba is exposed to various risks through its investments. The following analysis provides a measure of CPA Manitoba's exposure to credit, market, currency and interest rate risks and concentrations.

The fixed income funds include bond funds - 50% (2023 - 48%) and mortgage funds - 50% (2023 - 52%). The bond funds are diversified by sector, industry, and credit quality. These investments have a market yield range of 4.2% to 5.2% (2023 - 4.2% to 4.6%) and an average term of 13.0 to 13.8 years (2023 - 12.0 to 12.1 years). The mortgage funds are diversified by type and location. These investments have a market yield of 5.4% (2023 - 5.1%) and an average term of 3.4 years (2023 - 3.4 years).

**CHARTERED PROFESSIONAL ACCOUNTANTS OF MANITOBA
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2024**

4. LONG-TERM INVESTMENTS (Continued)

The equity funds invest predominately in shares of publicly traded Canadian medium and large-capitalized companies, publicly traded shares in the United States (U.S.) market, and a combination of common shares and other equity investments issued by non-North American companies which are traded primarily outside Canada and the U.S

CPA Manitoba's equity funds include the following:

	<u>2024</u>	<u>2023</u>
Canadian	\$ 1,281,985	1,504,148
U.S.	436,406	513,865
Various European	290,554	371,196
Japanese	96,015	95,416
Other	<u>49,791</u>	<u>73,073</u>
	<u>\$ 2,154,751</u>	<u>2,557,698</u>

The real estate funds consist of income-producing real estate properties diversified by both location and type. 67.9% (2023 - 67.1%) of the portfolio is located in Ontario, 31.9% (2023 - 32.7%) is spread across the rest of Canada, and 0.2% is located in the United States (2023 - 0.2%).

Investment income is composed of the following:

	<u>2024</u>	<u>2023</u>
Interest from cash	\$ 57,892	26,854
Interest from investments	90,901	93,015
Dividends from investments	33,474	38,909
Net realized gains on sales of investments	179,538	103,759
Net unrealized gains (losses) on investments	<u>39,458</u>	<u>(246,295)</u>
	<u>\$ 401,263</u>	<u>16,242</u>

CPA Manitoba manages its exposure to the risks associated with financial instruments that have the potential to affect its operating and financial performance in accordance with its investment policy. The objective of these policies is to reduce volatility in cash flow and earnings. CPA Manitoba does not use derivative financial instruments to manage its risk.

**CHARTERED PROFESSIONAL ACCOUNTANTS OF MANITOBA
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2024**

5. TANGIBLE CAPITAL ASSETS

	<u>2024</u>		
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>
Leasehold improvements	\$ 1,181,860	741,851	440,009
Furniture	385,562	331,880	53,682
Computer equipment	185,974	128,692	57,282
Office equipment	171,128	134,572	36,556
Signs	<u>2,039</u>	<u>2,039</u>	<u>-</u>
	<u>\$ 1,926,563</u>	<u>1,339,034</u>	<u>587,529</u>
		<u>2023</u>	
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>
Leasehold improvements	\$ 1,186,810	670,501	516,309
Furniture	382,562	302,750	79,812
Computer equipment	240,162	159,627	80,535
Office equipment	211,032	159,394	51,638
Signs	<u>2,039</u>	<u>2,039</u>	<u>-</u>
	<u>\$ 2,022,605</u>	<u>1,294,311</u>	<u>728,294</u>

During the year, CPA Manitoba recognized a write-down of leasehold improvements when they entered into a sub-lease agreement with an unrelated third party. The write-down resulted in a loss of \$15,838.

6. INTANGIBLE ASSETS

	<u>2024</u>		
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>
Website	\$ 497,176	497,176	-
Member management system	<u>938,969</u>	<u>777,545</u>	<u>161,424</u>
	<u>\$ 1,436,145</u>	<u>1,274,721</u>	<u>161,424</u>
		<u>2023</u>	
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>
Website	\$ 497,176	496,304	872
Member management system	<u>938,969</u>	<u>464,555</u>	<u>474,414</u>
	<u>\$ 1,436,145</u>	<u>960,859</u>	<u>475,286</u>

11.

**CHARTERED PROFESSIONAL ACCOUNTANTS OF MANITOBA
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2024**

7. ACCOUNTS PAYABLE AND ACCRUALS

	<u>2024</u>	<u>2023</u>
Accounts payable	\$ 270,653	223,284
Accruals and other	360,795	338,123
Government remittances	<u>136,980</u>	<u>146,174</u>
	<u>\$ 768,428</u>	<u>707,581</u>

CPA Manitoba maintains credit cards with an aggregate limit of up to \$100,000. The balance owing on the credit cards at March 31, 2024, is \$63,502 (2023 - \$39,164) and is included in accounts payable.

8. UNEARNED FEES

	<u>2024</u>	<u>2023</u>
Member fees	\$ 3,076,420	3,201,089
Student and course module fees (Note 11)	1,457,450	1,348,437
Events and professional development courses	2,750	22,665
Other	<u>24,649</u>	<u>22,131</u>
	<u>\$ 4,561,269</u>	<u>4,594,322</u>

9. DEFERRED LEASE INDUCEMENT

The current lease for office space provides for a lease inducement for leasehold improvements. It is being amortized over the life of the lease to December 2028.

	<u>2024</u>	<u>2023</u>
Opening balance	\$ 299,342	351,400
Amortization	<u>(52,058)</u>	<u>(52,058)</u>
	247,284	299,342
Less current portion	<u>(52,058)</u>	<u>(52,058)</u>
Closing balance	<u>\$ 195,226</u>	<u>247,284</u>

Amortization of lease inducements is included in office occupancy and operations in the statement of operations.

**CHARTERED PROFESSIONAL ACCOUNTANTS OF MANITOBA
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2024**

10. COMMITMENTS

Office Space

CPA Manitoba currently leases office space through to December 31, 2028. The following schedule includes future lease payments for the next five years under this lease:

2025	\$ 258,784
2026	258,784
2027	258,784
2028	258,784
2029	<u>194,088</u>
	<u>\$ 1,229,224</u>

Software Services Agreement

During the year, CPA Manitoba entered into a three-year agreement for new software for integrated learning technology. The total commitment over the term of the agreement is \$108,000, with a total remaining commitment of \$96,000. The commitment over the next year is \$36,000.

Communications Contracts

During the 2022 fiscal year, CPA Manitoba entered into a communications contract with Rogers and Bell MTS. The total commitment over the next year is \$6,900.

Post Secondary Support

During the 2022 fiscal year, CPA Manitoba agreed to a seven-year commitment to provide \$28,571 annually to the Red River College Polytechnic (the "College") to support the College's educational purposes. The remaining commitment provides for annual payments of \$28,571 from 2025 to 2028 for a total future commitment of \$114,286.

11. RELATED PARTY INFORMATION

Chartered Professional Accountants of Manitoba Foundation Inc. (CPA Foundation)

The CPA Foundation inspires inclusive and diverse opportunities through business and accounting education for students and members through engaged donors. CPA Manitoba has significant influence over the CPA Foundation through a combination of factors, including the provision of operating support; the organizations have shared staff; and CPA Manitoba's President and CEO serves as an ex-officio member of the CPA Foundation board. The CPA Foundation is incorporated under The Corporations Act of Manitoba and is a registered charity under The Income Tax Act.

In 2020, CPA Manitoba and the CPA Foundation entered into a new funding agreement to provide assistance to the CPA Foundation to help achieve its objectives. Under the terms of the agreement, CPA Manitoba provided funding in the amount of \$800,000. This amount was paid from the internally restricted fund established for this purpose. As part of the funding agreement, CPA Manitoba provides in-kind resources, including office space and operating and staff support for various initiatives in the amount of \$150,235 (2023 - \$144,731).

During the year, CPA Manitoba collected \$102,088 (2023 - \$106,030) in contributions and event revenue on behalf of the CPA Foundation.

**CHARTERED PROFESSIONAL ACCOUNTANTS OF MANITOBA
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2024**

11. RELATED PARTY INFORMATION (Continued)

CPA Insurance Plans West (CPAIPW)

CPAIPW administers benefits plans for members of the CPA accounting bodies in the four western provinces and territories. CPA Manitoba appoints two persons to serve on the CPAIPW's eight-member board. There were no related party transactions noted with CPAIPW during the year.

CPA Western School of Business (CPAWSB)

CPAWSB is responsible for delivering pre-certification education for students and candidates in the four western provinces and territories, in accordance with an agreement established on September 29, 2015. Effective June 1, 2018, the Western CPA provincial bodies approved changes to its governance structure. The Board of Directors of CPAWSB is now composed of the CEOs from the four western provinces.

CPAWSB and the four western provinces signed an operating agreement effective April 1, 2019, whereby CPAWSB acts as an independent agent collecting revenue and incurring costs on behalf of the four western provinces for delivery of the CPA Professional Education Program.

During the year CPAWSB collected annual student/candidate dues and module fees of \$4,077,714 (2023 - \$3,939,369) on behalf of CPA Manitoba. \$4,027,457 (2023 - \$4,022,717) has been recognized as revenue and \$1,457,450 (2023 - \$1,348,438) has been recorded as unearned fees.

CPAWSB incurred costs totaling \$3,641,061 (2023 - \$3,907,714) to deliver programs to Manitoba's students. Cost recoveries for other agreements totaled \$nil (2023 - \$nil).

In the prior year, CPAWSB began the process of winding down its charitable status and transitioning the organization to a not-for-profit organization. As a result, each provincial body was asked to provide a loan to CPAWSB to fund this restructure. CPA Manitoba provided a loan of \$92,554, which was repaid in full during the current year.

Chartered Professional Accountants of Canada (CPA Canada)

CPA Manitoba, along with other CPA accounting bodies in Canada, have entered into a Collaboration Accord with CPA Canada which allows the bodies to work together to achieve a common mission and vision that best serves the interests of both the public and the CPA profession. CPA Manitoba collects dues on behalf of CPA Canada and participates in various strategic and cost-sharing initiatives.

CPA Manitoba collected \$2,118,886 (2023 - \$2,124,470) of member dues on behalf of CPA Canada. These amounts are recognized as part of member fees revenue.

CPA Manitoba's proportionate share of the strategic and cost-sharing initiatives was \$178,377 (2023 - \$251,032). The amounts are recognized as expenses in these financial statements.

On June 20, 2023, Chartered Professional Accountants of Ontario (CPA Ontario) and Chartered Professional Accountants of Quebec (CPA Quebec) provided notice to all parties to the Accord of their withdrawal from the Collaboration Accord. The withdrawal is effective December 20, 2024, and a new model of national collaboration is being developed.

**CHARTERED PROFESSIONAL ACCOUNTANTS OF MANITOBA
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2024**

11. RELATED PARTY INFORMATION (Continued)

Due (to) from related parties

At March 31 the following amounts were (payable to) receivable from related parties:

	<u>2024</u>	<u>2023</u>
CPAWSB	\$ 1,848,711	1,396,794
CPA Foundation	\$ (23,110)	(43,562)
CPA Canada	<u>(820,629)</u>	<u>(952,872)</u>
	\$ <u>(843,739)</u>	<u>(996,434)</u>

The amounts (payable to) receivable from CPA Canada and CPA Foundation are unsecured and have no formal terms of repayment.

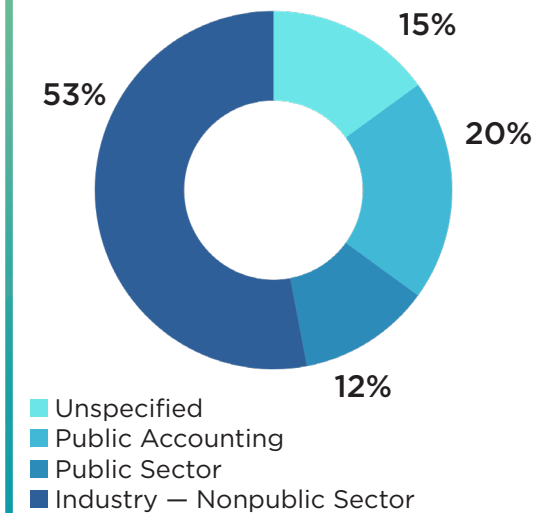
The amounts receivable from CPAWSB include amounts related to the Operating Agreement \$1,848,711 (2023 - \$1,334,283) and the loan receivable of \$nil (2023 - \$62,511). The Operating Agreement provides for annual settlement of the net contributions from operations. The loan receivable was paid in full as at year-end.

REGISTRATION STATISTICS

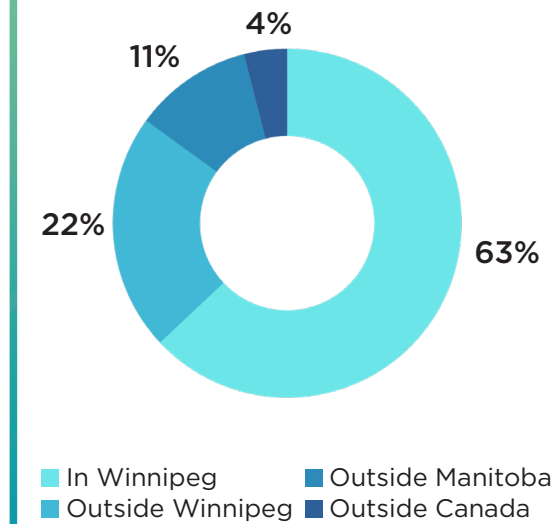
	2023	2024
Membership Changes During the Period		
Membership at beginning of the year	7787	7831
Admitted during the period by		
Examination	199	131
Affiliation and transfer in	36	32
Reciprocity	13	11
Readmitted	0	1
	8035	8006
Decrease in Membership		
Deceased	45	52
Resigned	74	57
Removed	28	14
Transferred Out	57	12
Membership at the end of the year	7831	7871
Candidate/Student Stats at March 31		
Preparatory course students	567	553
Professional Education Program	944	974
Total	1511	1527



EMPLOYMENT SECTOR



MEMBERSHIP LOCATION BY REGION



MEMBER RECOGNITION PROGRAM AWARD RECIPIENTS

The Chartered Professional Accountants of Manitoba recognizes 15 individuals who were selected as recipients through the CPA Manitoba Member Recognition Program. The award recipients represent the best of the accounting profession. They have each gone above and beyond throughout their careers and have devoted countless hours to strengthening the profession and improving our communities. This year's deserving recipients, along with other CPAs who graciously serve the profession and community, inspire us to continue to make Manitoba a great place to live and work.

Lifetime Achievement Award

Richard Olfert, FCPA, FCA

Elected To Fellowship

Derek Boutang, FCPA, FCMA

Brian Brown, FCPA, FCMA

Michael Delaurier, FCPA, FCA

Maria-Aileen Naismith, FCPA, FCA

Andrea Saj, FCPA, FCGA

Tyson Shtykalo, FCPA, FCA

Shipra Verma, FCPA, FCA

Early Achievement Award

Graeme Findlay, CPA, CA

David Pestrak, CPA, CA

Neil Richard, CPA, CA

Distinguished Service Award

Mark Gray, CPA, CA

Harun Kibirige, CPA, CA

Campbell McIntyre, CPA, CA

Carla Milne, CPA, CA



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MaryAnn Kempe — Public Representative
Foster Lyle, CPA
Karine Pelletier — Public Representative
Joan Presto, CPA, CGA
Lorraine Taraska, FCPA, FCA

Audit & Risk Committee

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Fraser McLean, CPA, CA
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Ryan Peterson, CPA, CA
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Kathy Knight — Public Representative
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Kathy Kalinowsky — Public Representative

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Manisha Pandya, FCPA, FCA
Richard Pope, FCPA, FCA
Kristine Seier, FCPA, FCMA
Roma Thorlakson - Public Representative

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Wendy Dyck, CPA, CGA
Hugh Grant — Public Representative
Kenneth Kustra, CPA, CA

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Scott Sissons, FCPA, FCA
Felice Torchia, CPA, CA

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Carla Goncalo, CPA, CA
Kelly Hudson, CPA, CMA
Matthew Pilloud, CPA, CA
Scott Stockwell, CPA, CA
Debbie Wiebe, CPA, CMA

Tax Committee

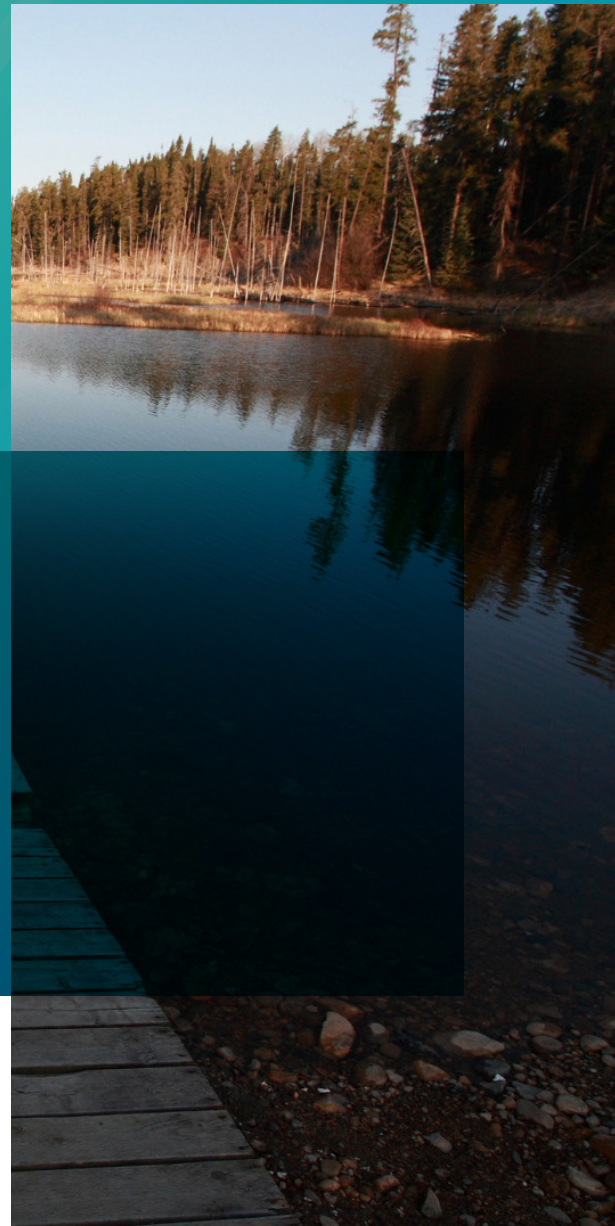
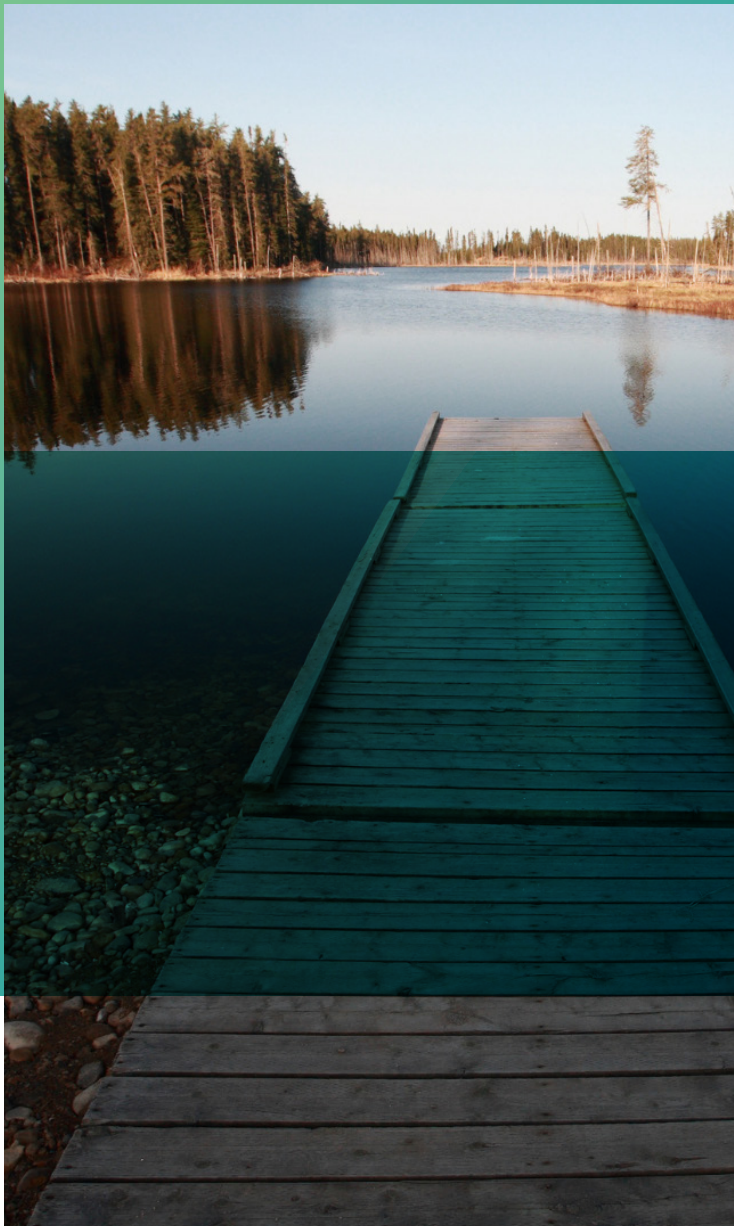
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Jacqueline Verrier, CPA, CA



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2023-24 CPA MANITOBA ANNUAL REPORT



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