

**CHARTERED PROFESSIONAL ACCOUNTANTS OF MANITOBA**  
**INDEPENDENT AUDITORS' REPORT**  
**FINANCIAL STATEMENTS**  
**MARCH 31, 2024**

**CHARTERED PROFESSIONAL ACCOUNTANTS OF MANITOBA**

**MARCH 31, 2024**

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**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>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
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
<b>LONG-TERM INVESTMENTS</b> (Note 4)	4,217,537	4,901,615
<b>TANGIBLE CAPITAL ASSETS</b> (Note 5)	587,529	728,294
<b>INTANGIBLE ASSETS</b> (Note 6)	<u>161,424</u>	<u>475,286</u>
	<u>\$ 11,590,958</u>	<u>12,284,448</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
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
<b>DEFERRED LEASE INDUCEMENT</b> (Note 9)	<u>195,226</u>	<u>247,284</u>
	<u>6,420,720</u>	<u>6,597,679</u>
<b>COMMITMENTS</b> (Note 10)		
<b>NET ASSETS</b>		
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. Einarson* Chair

*J. Tucker* Secretary-Treasurer

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

	<u>2024</u>	<u>2023</u>
<b>REVENUE</b>		
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>
<b>EXPENSES</b>		
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>
<b>DEFICIENCY OF REVENUE OVER EXPENSES</b>	<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**

	<b>Invested in tangible capital assets and intangible assets</b>	<b><u>Unrestricted</u></b>	<b><u>Total 2024</u></b>	<b><u>Total 2023</u></b>
<b>NET ASSETS, BEGINNING OF YEAR</b>	\$ 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>
<b>NET ASSETS, END OF YEAR</b>	<b><u>\$ 501,669</u></b>	<b><u>4,668,569</u></b>	<b><u>5,170,238</u></b>	<b><u>5,686,769</u></b>

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

	<u>2024</u>	<u>2023</u>
<b>CASH PROVIDED BY (USED IN):</b>		
<b>OPERATING ACTIVITIES</b>		
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>
<b>INVESTING ACTIVITIES</b>		
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>
<b>FINANCING ACTIVITIES</b>		
Advance from (to) related party	<u>(20,452)</u>	<u>10,127</u>
<b>INCREASE IN CASH</b>	82,600	367,517
<b>CASH, BEGINNING OF YEAR</b>	<u>4,132,680</u>	<u>3,765,163</u>
<b>CASH, END OF YEAR</b>	<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

**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**

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

**4. LONG-TERM INVESTMENTS**

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

	<b><u>2024</u></b>	<b><u>2023</u></b>
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>
	<b><u>\$ 4,217,537</u></b>	<b><u>4,901,615</u></b>

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>

**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	\$ <u>1,848,711</u>	<u>1,396,794</u>
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.