

**Report to The Public Accountants Council for the Province of Ontario (“PAC”) on the Chartered
Professional Accountants of Ontario (“CPA Ontario”)
Triennial Evaluation for the Period from
November 1, 2012 to October 31, 2015
Findings as of June 8, 2016**

From: Gary Porter, FCPA, FCGA, CPA, CA (BC)

Section 21 of the *Public Accounting Act, 2004* (the “Act”) requires the Council to conduct periodic reviews of the operations of an Authorized Designated Body (“ADB”) at least once in every three years and to report on them to the Minister.

The purpose of the periodic reviews (as derived from sections 19 and 21 of the Act) is to:

1. determine whether the ADB is complying with the Council Standards;
2. oversee the ADB in its capacity to license and govern the activities of its members as public accountants; and
3. determine whether the purpose and objects of the Council are being met.

Section 21(2) of the Act contemplates that in addition to the periodic reviews of an ADB, the Council may conduct a special review of an ADB when the Council concludes that it is in the public interest to do so.

Section 21(3) of the Act requires an ADB to cooperate with the Council in its reviews.

This 2015 triennial review process has been performed by a team of evaluators (“Team”) with expertise in education, examination, experience and regulatory/legal standards. It was carried out in accordance with past triennial review practices and procedures and used a risk-based approach. The Team is familiar with the current public accounting operations of CPA Ontario. Based on this understanding, the Team has assessed where there may be risks of non-compliance with PAC standards (the “Standards”).

During this review period, Chartered Professional Accountants of Ontario (“CPA Ontario”), formerly the Institute of Chartered Accountants of Ontario (“ICAO”), unified with the Certified General Accountants Association of Ontario and the Certified Management Accountants of Ontario. As a result of this unification, CPA Ontario, along with CPA Canada, is developing and launching new pre-certification education programs and policies.

The review team, at the request of PAC, is reviewing these program and policy changes and other requirements necessary to obtain and maintain a public accounting licence by members of CPA Ontario. As a result of this extensive, recent review, aspects of which are still ongoing, we have paid special attention during this triennial review to avoid duplicating this other work.

The Team has performed the following procedures:

1. A detailed review of the Activity Reports submitted for each of the years ended October 31, 2013, 2014 and 2015. Analytical review procedures were applied to the data presented in the three activity reports and to changes in bylaws, regulations, policies, rules and key controls reported therein.
2. A review of the CPA Ontario Annual Reports for the three years;

3. A review of specified documents provided by CPA Ontario at the Team's request;
4. Enquiry and discussion with CPA Ontario management members regarding the results of our review and analysis; and
5. Team discussion of findings and recommendations.

The Team members were assigned to review Council Standard groupings in accordance with their areas of expertise. The report is organized around these groupings as follows:

1. Competencies, whether to be acquired through study and examination or by practical experience covered by the Charles Vincent, MBA, FCPA, FCA during the special review and by representations from CPA Ontario in this triennial review;
2. Pre-professional and professional education: Wendy Rotenberg, PhD; John Friedlan, PhD, CPA, CA; Susan McCracken, PhD, CPA, CA; Gary Spraakman, PhD, FCPA, FCMA; Linda Stillabower, PhD, during the special review and by representations from CPA Ontario in this triennial review;
3. Examinations: Ed Weinstein, PhD during the special review and by representations during this triennial review;
4. Practical experience and maintenance of standards for LPAs: Gary Porter FCPA, FCGA, CA; and
5. Legal and discipline matters: Jennifer Teskey, Partner, Norton Rose Fulbright Canada LLP.

The overall Team co-ordination was undertaken by Gary Porter.

Findings

Based on the results of the procedures performed by the evaluation team during the special and triennial reviews and the representations by CPA Ontario, I am satisfied that CPA Ontario was in substantial compliance with all of the Standards developed by the Council pursuant to Section 19 of the Act during the three-year reporting period ended on October 31, 2015.

Respectfully submitted,



Gary Porter, FCPA, FCGA, CPA, CA (BC)