

**CAIRP** | Rebuilding  
Success

**Canadian Association of  
Insolvency and Restructuring  
Professionals**

**2021-2022**

# **A Year in Transition**

**CAIRP  
Annual Report**

2021-2022



## About CAIRP

The Canadian Association of Insolvency and Restructuring Professionals (CAIRP) is a national professional organization representing nearly 1400 practitioners in Canada's insolvency and restructuring system. CAIRP was formed in 1979 to promote the professionalism and education of its members across the country.

## Our Vision

CAIRP is Canada's pre-eminent association for the education, standards and advocacy of insolvency and restructuring professionals.

## Our Mission

CAIRP advances the interests of members and the public by:

- Promoting excellence amongst members,
- Providing relevant professional development,
- Establishing and enforcing CAIRP's Rules of Professional Conduct and Standards of Professional Practice,
- Maintaining rigorous certification standards and providing innovative education to aspiring insolvency and restructuring professionals, and
- Advocating for a fair, transparent and effective insolvency and restructuring system throughout Canada.

## Our Core Values

- **Visionary Leadership** – committed to ongoing advancement, by inspiring collaboration, imagination, open-mindedness, and forward thinking.
- **Positive Outlook** – optimistically, create pride in the CIRP designation.
- **Integrity** – embrace ethical and credible behaviour that is transparent and accountable to members and the public.
- **Respect** – openly encourage, value, and consider without bias.
- **Representativeness** – recognizing the importance of diversity and inclusion.
- **Service Excellence** – deliver valued services in a supportive environment, where communication, innovation, and creativity are hallmarks.
- **Committed to greater good of CAIRP, the insolvency profession, and the public** – effectively governed and managed, adequately resourced and socially responsible.
- **Fun** – an enjoyable experience to work and serve.

## Our 2021-2022 Goals

Highly engaged membership

Relevant, effective, and engaging CQP, PCIC and IA learning experience

Collaborative & strategic relations with the OSB

Membership retention and growth that sustains a healthy, going concern CAIRP

Consistently operate in a cost-efficient and effective manner

Members value the CAIRP membership

Raising the profile of the industry

Implement solutions to the challenges presented by COVID-19

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# Board of Directors

## Executive Committee



**CHAIR**  
**Jean-Daniel Breton** CPA, FCIRP, LIT  
Montreal, QC



**VICE-CHAIR**  
**André Bolduc** CPA, CA, CIRP, LIT  
Ottawa, ON



**TREASURER**  
**Marla Adams** CPA, CA, FCIRP  
Saskatoon, SK



**SECRETARY/BRITISH COLUMBIA REPRESENTATIVE**  
**Bridget van Wyk** CPA, CA, CIRP, LIT  
Vancouver, BC



**EXECUTIVE-AT-LARGE**  
**Lawrence (Larry) Crandall**  
LL.B, CIRP, LIT  
Saint John, NB



**PRESIDENT & CEO**  
**Anne Wettlaufer** FICB  
Toronto, ON

## Other Provincial Representatives



**ALBERTA**  
**Zaki Alam** CPA, CA, CIRP, LIT  
Edmonton, AB



**MANITOBA**  
**Crystal Buhler** CPA, CGA, CIRP, LIT  
Brandon, MB



**NEW BRUNSWICK**  
**Robert Johnson** CPA, CA, CIRP, LIT  
Fredericton, NB



**NEWFOUNDLAND AND LABRADOR**  
**Noel Andrews** CIRP, CFE, LIT  
St. John's, NL



**NOVA SCOTIA**  
**Matt Golding** CPA, CMA, CIRP, LIT  
Halifax, NS



**ONTARIO**  
**Catherine Hristow** CPA, CMA, CFE, CIRP, LIT  
Toronto, ON



**QUEBEC**  
**Emmanuel Phaneuf** CIRP, LIT  
Montreal, QC



**QUEBEC**  
**Tania Daher** CIRP, LIT  
St. Jerome, QC



**SASKATCHEWAN**  
**Michelle Statz** CIRP, LIT  
Saskatoon, SK

## Other Board Members



**CPA CANADA REPRESENTATIVE**  
**Frank Fabiano** CPA, CA, CIRP, LIT  
Calgary, AB



**NEW MEMBER REPRESENTATIVE**  
**Kristin Gray** CPA, CIRP, LIT  
Edmonton, AB



**OUTSIDE DIRECTOR**  
**Richard Schwartz** LL.B  
Winnipeg, MB



**OUTSIDE DIRECTOR**  
**Robert Klotz** LL.B

Canadian Association of Insolvency and Restructuring Professionals (CAIRP) is a member of the Institute of Corporate Directors (ICD)



# Chair's Message



**Jean-Daniel Breton** CPA, FCIRP, LIT  
**CAIRP CHAIR OF THE BOARD**

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On behalf of the Board of Directors of the Canadian Association of Insolvency and Restructuring Professionals (“**CAIRP**” or “**Association**”), I am pleased to present the CAIRP 2021/22 Annual Report. The COVID-19 pandemic continued to provide the insolvency and restructuring profession with a challenging journey over the last 24 months including this past fiscal year. While the industry appears to be past the hardest terrain, it does not yet seem to have an unbridled path. I am pleased to report that CAIRP’s Board and staff rose to the challenge.

As part of CAIRP’s annual planning process, the Board of Directors establishes high level goals to guide the development of CAIRP’s strategies, action plans and budget. When COVID-19 hit, the Board established an additional goal of implementing solutions to the challenges presented by the pandemic. The Executive Committee and Board have been meeting monthly to identify and mitigate financial and operating risks for CAIRP, and to discuss and get resolution for members on a broad range of issues, many of which were due to the pandemic.

I will take this opportunity to provide a brief overview of CAIRP’s quantitative performance measures, qualitative achievements and the challenges faced by CAIRP over the past year as it starts to transition

to what we hope is a post pandemic environment. For more details on CAIRP’s performance, I would encourage you to review the Year at a Glance section, committee reports and audited financial report in this Annual Report.

## FINANCE & OPERATIONS

While a break-even result was initially anticipated for the 2021-22 fiscal year, education enrolment declined significantly in the last half of the fiscal year. CAIRP responded with administrative cost reductions to contain the impact and CAIRP finished the year with a deficit of \$40,935. Despite this operating deficit, the Association’s financial position remains strong, with over \$2.8 million in net assets. Our thanks to the steady leadership of CAIRP’s Treasurer, Marla Adams, the Finance Committee and CAIRP’s COO for providing updated financial forecasts including identifying the best, worst and most likely case outcomes. This process continued to serve the Association well as it provided clear visibility as to the best path forward to mitigate risks.

CAIRP membership saw a small dip over the previous year in the general membership category as well as a decline in the articling associate category. To recognize the achievements of our new CIRPs as



well as encouraging interest in the profession, CAIRP promoted the graduates on LinkedIn and through ad placements in the *Rebuilding Success* Magazine. CAIRP also continued the work towards establishing a new Associate category, as was approved by the members at CAIRP's September 2021 Annual General Meeting, when they ratified the by-law modifications that provide for the creation of the Insolvency Administrator Associates category. The preparations were completed and the new category launched in April 2022, with an invitation to known qualifying administrators to join. Members should consider enrolling their employees who meet the qualifications for this category, as there is a mutual benefit to the active participation from these associates.

From an operations perspective, efforts continued towards raising the profile of CAIRP and its members with a number of initiatives over the past year. CAIRP was very active in its ongoing media outreach with the issuance of six media releases generating stories in major and regional news outlets across the country. The CAIRP Media Communications Committee along with the Provincial Associations initiated and drove a project this past spring which involved the creation of eight new provincial association websites. The provincial websites are closely aligned to CAIRP in brand look and feel and messaging, and stem from the CAIRP website platform which was enhanced and refreshed earlier in the year. The aligned messaging will greatly assist the industry in its efforts to raise its profile and better serve the public with consistent, clear messages. Our thanks to all involved.

In our efforts to improve communications among our members and find solutions to practice issues, in addition to the monthly meetings of the Executive and Board, quarterly meetings were held with Provincial Presidents with good results. CAIRP also engaged an outside firm, Discover by Navigator, to consult CAIRP members on their views for the OSB's *Consultation on the Modernization of Physical Office Requirements for LITs*. The member feedback was invaluable in guiding the CAIRP response to the consultation.

## MEMBER PROFESSIONAL DEVELOPMENT

As the pandemic did not subside, CAIRP's professional development ("PD") planning committees built on the success of the National Webinar Series and put together another stellar line-up of thought provoking and informative webinars. Over the past year, CAIRP released 28 original live and on-demand webinars in English and French with over 3,800 views. From a performance measures perspective, the webinar series was very popular with members with over 81% of CAIRP members attending one or more of the sessions. During the year, 95% of members who answered a survey rated the sessions as having met or exceeded their expectations and 86% advised they would recommend a CAIRP professional development event to a colleague.

In addition to the 2021-22 National Webinar Series, CAIRP also successfully delivered the Annual Review of Insolvency Law ("ARIL") virtual conference for the ARIL Society Inc., which attracted more than 850 attendees. The popular ARIL Podcast Program also returned with an expanded number of podcasts for attendees.

The National Webinar series has been continued for the 2022-23 year, providing CAIRP members with virtual PD offerings with a varied, high-quality program. Our congratulations and thanks for a job well done to the PD Committees and staff.

## CANDIDATE/STUDENT EDUCATION

On the education front, CAIRP continued with the virtual delivery of all education programs including the tutorial, all exams and the Competency-based National Insolvency Exam ("CNIE") assessment and appeal centres. The 2021 Core Knowledge Exam ("CKE") and Practical Course on Insolvency Counselling ("PCIC") pass rates remain strong at 70% and 92% respectively. The CNIE pass rate is not where CAIRP wants it to be at 45% however the flow through rate is a better

measure of candidate performance, and that rate is 56% which is significantly higher than the yearly pass rate. That said, CAIRP is still striving to improve candidates' success at the CNIE while maintaining the required high-quality standards.

CAIRP undertook a survey of 2020 and 2021 CNIE candidates in February 2022. Based on the feedback and the analysis of candidate performance, CAIRP has made some modifications for 2022. The modifications include hosting five live exam preparation sessions from May to September which incorporate a new format developed to improve engagement and provide best value for candidates as they prepare for the CNIE in November. The candidates will also benefit from a CNIE tutorial supplemental course which includes the recordings of all tutorials and exam preparation sessions from the past two years. Other modifications have been introduced to help candidates and enhance sponsor support throughout the program. We owe our education committees and volunteers our gratitude for their efforts.

The CQP renewal is also moving along. You will note from the financial statements that an investment of approximately \$70,000 was made last year in the course material, and further significant investments are projected this year. These investments do not impact the operating results as the funds come from the internally restricted net assets. The updated Intro Course is scheduled to be launched in January 2023. Candidates need not wait for the renewed program however, as all of the enhancements introduced this year provide candidates with the support they need right now to be successful.

## ADVOCACY

Significant time and focus were given to proactive advocacy efforts throughout the year. This included the participation in four OSB consultations including the *Comprehensive Review of Directives and Regulations Under the BIA and CCAA* in June 2021 and the *Modernization of Physical Office Requirements for LITs*

in March 2022. Our thanks to the Consumer Practice Committee and their Subcommittees, who along with the Corporate Practice Committee, Provincial Associations, Former Chairs and members provided excellent input in guiding the submissions. On behalf of the Board, I want to thank those involved in these collaborative efforts which developed thoughtful and forward-looking industry positions as part of CAIRP's response.

To further enhance the insolvency system, CAIRP has also been meeting on a quarterly basis with ISED to discuss a range of issues including COVID-19 and the economy; public interest functions of public post-secondary educational institutions in insolvency and restructuring situations; super-priority for unfunded pension liabilities; and bilingual/multilingual insolvency court proceedings. ISED and CAIRP have agreed to continue to meet regularly going forward and the next meeting will again focus on Micro-Small and Medium Sized Enterprises ("**MSMEs**"). CAIRP is working closely with representatives of the Canada Revenue Agency ("**CRA**") on a Portal Project which will allow CAIRP members to e-file documents with the CRA, allow for two-way communications and provide better integration with other systems and the OSB.

CAIRP also had another active year with interventions. The more notable cases for which CAIRP believes its interventions helped inform the Court were those of Canada North, before the Supreme Court of Canada, and the Sanaa Ismail Ali case before the British Columbia Supreme Court. CAIRP is currently involved in an intervention in the Pierre Nolet case in Quebec.

## OSB RELATIONS

CAIRP continues to collaborate with the OSB in numerous ways to strengthen relations and improve Canada's insolvency profession. To ensure open lines of communication, CAIRP hosted the Superintendent of Bankruptcy at the OSB-CAIRP Webinar in June and at the CAIRP AGM in September with over 700 members attending each event.



Through the year, meetings are held between the OSB Superintendent and the CAIRP Chair, Vice Chair and CEO every 2 weeks, and an annual meeting is held between the executive committees of the OSB and CAIRP. CAIRP continues to be represented on several committees and panels including the CAIRP/OSB/CRA Liaison Committee and the Consumer Practice Liaison Committee.

The issue of representativeness within the insolvency and restructuring industry is very important to CAIRP and its members and a number of initiatives were undertaken this past year. CAIRP, in partnership with the OSB, released the *OSB-CAIRP Joint Statement on Representativeness* in June 2021 and launched the *OSB-CAIRP Guide to Promote Diversity and Inclusion-Best Practices & Resources* in December 2021. Great care has been taken in recent years with CAIRP's education programs to ensure that course materials and examinations also accurately reflect this goal. For example, CAIRP uses a psychometrician in the development of examination questions to ensure that no candidate would be at a disadvantage.

CAIRP has been raising a number of member issues with the OSB, who has been responsive and collaborative. As reported in CAIRP's recent newsletter, the issue of a credit rating company identifying a consumer proposal as a bankruptcy on credit reports has been resolved and efforts are underway to resolve a similar issue with another credit rating company. CAIRP raised a number of issues flagged by members with the OSB, and in a number of cases, "Cease and Desist" letters were sent by the OSB, or the OSB referred the matters to the Competition Bureau for enforcement.

CAIRP also raised with the OSB the possibility of better informing the public about the debt advisory marketplace by re-issuing a consumer alert originally released by the Financial Consumer Agency of Canada ("FCAC") in 2019. The OSB is currently reviewing this potential initiative.

These initiatives demonstrate the benefit to the insolvency system and to Canadians when CAIRP members and the OSB find common ground to work together.

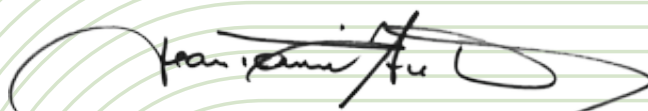
## FINAL THOUGHTS

As Board Chair, I want to recognize the tremendous contributions of our member volunteers who committed their expertise and time over the past year and stepped up to assist the industry and CAIRP weather the continuing challenges presented by the COVID-19 pandemic. These challenges affect both the industry as a whole and their own practices, which makes the involvement of the member volunteers all that much more meritorious. Our volunteers and Committee members are the reason why CAIRP is able to accomplish so much and we are extremely grateful for their tireless efforts and hundreds and hundreds of volunteer hours.

I also want to acknowledge the efforts of the Executive Committee, CAIRP's Board of Directors and our amazing CAIRP staff led by CEO/President Anne Wettlaufer for their excellent work on our behalf.

To help the insolvency industry adapt to this unprecedented time, CAIRP will be moving forward with a Strategic Review over the coming months, to ensure CAIRP continues to be well positioned to support and serve its members in taking advantage of opportunities and overcoming any challenges that lay ahead. We look forward to working with members on this initiative.

It has been an honour serving as your Chair over the past year and I look forward to the opportunities and challenges in the year ahead.



Jean-Daniel Breton, CPA, FCIRP, LIT  
Chair

# A Year At A Glance

## Professional Development

**28** new webinars, live and on-demand **3,800+** views

**81%**

of membership attended one or more CAIRP Professional Development webinars

**95%**

of educational sessions were rated by attendees as having met or exceeded expectations

**86%**

of attendees who completed a survey would recommend a CAIRP Professional Development webinar to a colleague

## Exam Pass Rates

**70%** CKE pass rate

**45%** CNIE pass rate\*

**92%** PCIC average pass rate over 2 exams

**89%** IA pass rate over 12 months of on-demand exams

\* In terms of flow through, our statistics show that 56% of candidates who passed the CKE in 2017 or 2018 have since passed the CNIE.

## Membership

	2021-2022	2020-2021	2019-2020	2018-2019	2017-2018
General	934	937	955	951	984
Articling	318	367	348	298	347
Corporate	18	19	21	21	20
Life	118	122	137	204	190
Inactive	3	2	5	6	12

In the most recent survey of CAIRP's membership, 89% of members said they are satisfied or very satisfied with their membership and 94% of members reported that staff met or exceeded their service expectations.

# OSB Relations & Advocacy

## OSB RELATIONS

### OSB-CAIRP Joint Initiatives in 2021-22:

- OSB-CAIRP webinar focused on the impact of the COVID-19 pandemic and OSB and CAIRP Business Plans for the year – presentations by OSB Superintendent Lang, CAIRP Chair Mark Rosen and Vice Chair Jean-Daniel Breton – June 2021
- Released the OSB-CAIRP Joint Statement on Representativeness – June 2021
- OSB Superintendent Lang addressed the CAIRP membership in advance of the CAIRP Annual General Meeting – September 2021
- Launched *OSB-CAIRP Guide to Promote Diversity & Inclusion-Best Practices & Resources* to support Licensed Insolvency Trustees – December 2021
- Initiated OSB-CAIRP quarterly meetings on Debt Advisory Marketplace with OSB's Integrity and Enforcement Deputy Superintendent Manek – February 2022
- Arranged briefing for OSB senior management and ISED policy staff on the results of the CAIRP Survey on *Modernization of Physical Office Requirements for LITs* at the annual OSB-CAIRP Executive Meeting – April 2022
- Organized a virtual "Meet and Greet" with a cross section of CAIRP members to introduce Sahra Boonstra, OSB's new Deputy Superintendent, responsible for Regulatory Policy & Public Affairs – June 2022
- Continued meetings between senior management from OSB and CAIRP every two weeks to keep apprised of issues/member concerns

## ADVOCACY

### OSB/CRA/ISED/Finance Canada/Employment and Social Development Canada (Labour Program):

- Regular meetings with the OSB/CRA to discuss matters and resolve issues, including COVID related issues
- ISED/Finance Canada Roundtable on the World Bank/Financial Stability Board review on the impact of COVID-19. CAIRP delegation provided insights on a range of issues including out of court work orders and MSME issue – July 2021
- WEPP Subcommittee held a Roundtable discussion with Employment and Social Development Canada (Labour Program) to review areas requiring clarification and provide input into their communications bulletin entitled *Changes to the Wage Earner Protection Program* – November 2021
- CRA Portal Project – CAIRP provided working group members for initiative which would allow CAIRP members to EFile documents with the CRA, allow for two-way communications and better integration with systems – Commenced December 2021
- CAIRP participation in an OSB Working Group on the OSB's Trustee Annual Report initiative – Commenced December 2021
- ISED/CAIRP Roundtable on CAIRP views on the current and future economic impacts of the pandemic and the MSME issue including a discussion on CAIRP's proposal to assist MSMEs – February 2022
- ISED/CAIRP Roundtable to discuss public interest functions of public post-secondary education institutions (PSEIs) in insolvency and restructuring situations; super-priority for unfunded pension liabilities in insolvencies and restructurings; bilingual/multilingual insolvency proceedings and accessibility to LIT services for Canadians with disabilities – May 2022
- CAIRP participation in the OSB Surplus Income Review Committee which was struck in June 2022 and gets underway September 2022

### CAIRP Submissions in 2021-2022

- CAIRP response to the OSB's *Comprehensive Review of Directives and Regulations Under the BIA and CCAA* – June 2021
- CAIRP response to the OSB's *Discussion Paper on Trustee Annual Report* – September 2021
- CAIRP response to OSB notice on *proposed amendments to Directive No. 6R3, Assessment of An Individual Debtor and Directive No. 1R6, Counselling in Insolvency Matters* – November 2021
- CAIRP response to the OSB's *Consultation on the Modernization of Physical Office Requirements for LITs* – March 2022

# Raising the profile of CAIRP and our members

## CAIRP Brand Refresh & New Website:

In the first quarter 2021-22, CAIRP completed a brand refresh and website enhancements, including an enhanced Find a CIRP search feature and member profile to improve the look and feel, provide a better user experience, enhance the visibility of our members and comply with generally accepted accessibility standards. The revised website was introduced at the June OSB-CAIRP webinar.



## CAIRP/Provincial Association Website Initiative:

Leveraging the brand and website work completed earlier in the year and working closely with the Provincial Associations, CAIRP developed 8 new provincial association websites that are closely aligned in brand look and feel and stem from the CAIRP website. This initiative includes messaging alignment for all provincial associations with CAIRP, which will greatly assist the industry in its efforts to raise its profile and to better serve the public with consistent, clear messages.





## Raising the profile of CAIRP and our members (continued)

## Media:

**6**  
media releases  
issued in  
2021-22

**360+**  
media outlets  
have carried a  
CAIRP story

**1330+**  
media  
mentions  
since March 2020



CAIRP was very active in its ongoing media outreach with 6 media releases generating stories in major news outlets such as CBC, the Globe & Mail, Toronto Star, City News, BNN Bloomberg, Le Devoir, TVA, Les Affaires and Radio Canada along with regional media to name a few.





# Raising the profile of the industry

## Advertising:

CAIRP recognized our 2021-2022 CIRP graduates through an advertisement on CAIRP's LinkedIn channel and in the Fall – Winter 2022 edition of CAIRP's Rebuilding Success magazine.

**Introducing our 2021-22 CIRP graduates.**

The Canadian Association of Insolvency and Restructuring Professionals (CAIRP) is pleased to congratulate our recent graduates who successfully completed the Chartered Insolvency and Restructuring Professional (CIRP) Qualification Program. The CIRP designation is the exclusive pathway to become a Licensed Insolvency Trustee.

Our graduates are entering the challenging and exciting world of restructuring, turnaround and insolvency, providing services to businesses and consumers who experience financial challenges. To learn more, please visit [cairp.ca/BecomeCIRP](http://cairp.ca/BecomeCIRP).

<b>Amanda Shewchuk, CA, CIRP</b> Senior Estate Administrator Alma Merchants & Associates Inc. Saskatoon, SK	<b>Bethany Burke, B.A., CIRP</b> Estate Manager MNP Ltd. Hamilton, ON	<b>Breanna Burdett-Smith, B.Sc., CIRP</b> Associate Hudson's Company Insolvency Trustees Inc. Calgary, AB	<b>Cheryl Dunningham, CA, CIRP</b> Insolvency Estate Manager Campbell, Saunders & Co. Kelowna, BC	<b>Christa Fawcett, CA, CIRP</b> Director, Corporate Finance PFC Consulting Calgary, AB
<b>Daniel Fraser, CA, CIRP</b> Corporate Recovery & Turnaround Crown Solicitors LLP Toronto, ON	<b>Gautier Potholme, CA, CIRP</b> Senior Director - Recovery, Restructuring and Insolvency Group Raymond Chabot Ouellet Montreal, QC	<b>Greg McNamee, CA, CIRP</b> Director Bent & Young Inc. Toronto, ON	<b>James Savelle, CA, CIRP</b> Senior Manager Grant Thornton Calgary, AB	<b>Jessie Thomson, M.B.A., CIRP</b> Senior Associate, Restructuring Services Giblin Restructuring Inc. Windsor, ON
<b>John Tremblay, M.B.A., CA, CIRP</b> Insolvency Administrator Thomson & Company Ottawa, QC	<b>Julie Brown, M.B.A., CA, CIRP</b> Vice President, Consulting & Debt Prometheus Financial Montreal, QC	<b>Madeline Ting, B.A., M.B.A., CIRP</b> Estate Manager McNamee & Associates Ltd. Vancouver, BC	<b>Maggie Shewchuk, M.B.A., CA, CIRP</b> Senior Manager Roberts Inc. Toronto, ON	<b>Marissa Telford, M.B.A., CA, CIRP</b> Manager, Restructuring KIC Advisory Inc. Toronto, ON
<b>Michael Salovey, CA, CIRP</b> Senior Manager, Corporate Restructuring Foster Inc. Edmonton, AB	<b>Nancy Allard, CA, CIRP</b> Senior Counselor Lafayette Group Inc. Montreal, QC	<b>Nicole Fournelle, CA, CIRP</b> Director Akers & Munro Toronto, ON	<b>Rachel Hallett, B.A., CIRP</b> Estate Manager MNP Ltd. Vancouver, BC	<b>Stacy Greenblatt, CA, CIRP</b> Senior Manager Deloitte LLP Toronto, ON
<b>Tyler Ray, CA, CIRP</b> Senior Manager, Corporate Advisors & Restructuring PricewaterhouseCoopers LLP Toronto, ON	<b>Vivian O'Connell-Schick, B.A., CIRP</b> Administrator Giblin Restructuring & Associates Inc. Montreal, QC	<b>Eric Fisher, CA, CIRP</b> Montreal, ON		

**CAIRP | Rebuilding Success**  
Canadian Association of Insolvency and Restructuring Professionals  
[cairp.ca](http://cairp.ca)

## Social Media:

12

blogs posts on topics for both consumers and businesses

20%

increase in followers across CAIRP social media channels (Facebook, Twitter and LinkedIn) over the previous year

2<sup>nd</sup> Year

Facebook Live webinar as part of the FCAC's Financial Literacy Month

**Budgeting: The Key to Financial Success**  
by Pamela Meyer, CIRP, LIT  
November 12, 2021

The thought of budgeting may feel difficult and add additional stress but if you keep it simple, no matter what your financial situation is, budgeting can help you understand where you can make changes. Budgeting does not mean you have to sacrifice everything you love. The longer you wait to start budgeting the more money you will have to sacrifice.

Build your budget:

Canadian Association of Insolvency & Restructuring Professionals was live.  
November 25, 2021

lots of messages as we go through this. Um and I'll be

15 Comments 7 Shares

Like Comment Share

# Chartered Insolvency and Restructuring Professionals (CIRP) Recipients 2021-22

The CIRP certification mark is the recognizable symbol of integrity, education and professionalism of the insolvency and restructuring profession in Canada. In 2021-2022, 23 professionals from across the country completed the CIRP Qualification Program and achieved their CIRP designation. This achievement is a result of hundreds of hours of dedicated effort and determination. On behalf of all CAIRP members, we congratulate them on their achievement and welcome them as new members of CAIRP. We also want to thank the families, friends, colleagues, mentors and sponsors who supported our 2021-2022 recipients on their journey.



**Amanda Sherwood, B.A., CIRP**  
Senior Estate Administrator  
Allan Marshall & Associates Inc.  
Saint John NB



**Bethany Stuve, B.A., CIRP**  
Estate Manager  
MNP Ltd.  
Hamilton ON



**Breanna Burkard-Smith, B.Com., CIRP**  
Associate  
Hudson & Company  
Insolvency Trustees Inc.  
Calgary AB



**Cherry Dumalagan, CPA, CGA, CIRP**  
Insolvency Estate Manager  
Campbell, Saunders Ltd.  
Richmond BC



**Cristina Pimienta, CPA, CA, CIRP**  
Director, Corporate Finance  
FTI Consulting  
Calgary AB



**Daniel Posner, CPA, CBV, CIRP**  
Corporate Recovery & Turnaround  
Crowe Soberman LLP  
Toronto ON



**Gautier Péchadre, CPA, CIRP**  
Senior Director - Recovery, Recovery and  
Insolvency Group  
Raymond Chabot Grant Thornton  
Montreal QC



**Greg McDonald, CPA, CA, CIRP**  
Director  
Ernst & Young Inc.  
Toronto ON



**James Saxton, FCCA, CIRP**  
Senior Manager  
Grant Thornton  
Calgary AB



**Janna Thomson, BBA, CIRP**  
Senior Associate, Restructuring Services  
Deloitte Restructuring Inc.  
Winnipeg MB



**Jérémy Tremblay, M.B.A., LL.B., CIRP**  
Insolvency Administrator  
Tremblay & Compagnie Syndics et  
Gestionnaires Ltée  
Chicoutimi QC



**Julie Brunet, M.Sc., CPA, CA, CIRP**  
Vice President, Consulting & Deals  
PricewaterhouseCoopers  
Montreal QC



**Marianne Ting, B.Sc., MBA, CIRP**  
Estate Manager  
McEown + Associates Ltd.  
Vancouver BC



**Megha Sharma, BSL LLB, CPA, CA, CIRP**  
Senior Manager  
Richter Inc.  
Toronto ON



**Murtaza Tallat, BBA, CPA, CA, CIRP**  
Manager, Restructuring  
KSV Advisory Inc.  
Toronto ON



**Muthussir Saleem, CPA, CA, CIRP**  
Senior Manager, Corporate  
Restructuring  
Faber Inc.  
Edmonton AB



**Nancie Allard, CPA, CA, CIRP**  
Senior Consultant  
Lafrenière GBM Inc.  
Montreal QC



**Nate Fennema, CPA, CA, CIRP**  
Director  
Alvarez & Marsal  
Toronto ON



**Rachel Riddell, B.A., CIRP**  
Estate Manager  
MNP Ltd.  
Vancouver BC



**Stacey Greenbaum, CPA, CA, CIRP**  
Senior Manager  
Deloitte LLP  
Toronto ON



**Tyler Ray, CPA, CA, CIRP**  
Senior Manager, Corporate  
Advisory & Restructuring  
PricewaterhouseCoopers LLP  
Toronto ON



**Vincent Guilbeault-Sauvé, LL.B., CIRP**  
Administrator  
Ginsberg, Gingras & Associates Inc.  
Montreal QC



**Eric Finley, CPA, CA, CIRP**  
Vice President, Finance  
Markham ON

# Honours and Awards Recipients

Every year, CAIRP takes time to recognize our volunteers for their outstanding contributions and significant impact to the profession. We congratulate our Honours and Award recipients for 2021-2022.

## OUTSTANDING VOLUNTEER AWARDS (OVA)

Established by the Executive Committee in 2008, the OVA is intended to acknowledge the fine work of individuals who have provided exemplary service to the Association, and to thank them for their contribution as a volunteer. The recipient may be recognized for a collected list of activities over a period of several years or alternatively, for their service related to one particular activity. This year, the committee picked two recipients, who were more than deserving of this award - **Bridget van Wyk** and **Bonnie Bryan**.

“

*You don't volunteer on committees to get recognized, you do it to better the profession, ensure its longevity and meet great lifelong friends along the way. However, it is an honour to be identified by your peers. It lets me know that they are appreciative of the time and effort I have put into the various committees.”*



**Bridget van Wyk**, CPA, CA, CIRP, LIT

“

*Receiving this award is totally unexpected and quite exciting. Despite getting into the volunteer program to mark exams back in early 2000 to further my experience, knowledge and to enjoy the camaraderie of my colleagues across Canada, it is an awesome feeling to be rewarded and recognized for doing something I love.”*

**Bonnie Bryan**, CIRP, LIT



## NEW MEMBER'S AWARD OF MERIT

The New Member's Award of Merit is intended to acknowledge and distinguish those New Members who have obtained their CIRP within the past seven years and who have brought excellence to their profession through their leadership and achievements in various aspects of their personal and professional life. This year CAIRP is recognizing two worthy recipients - **Alana Orrell** and **Samuel Gignac**.

“

*My dad was quite involved as a volunteer with CAIRP, and it impressed upon me the importance of volunteers to our Association. When I was on CAIRP's Board of Directors (2019-2021), I learned just how much goes on "behind the scenes" at CAIRP. I don't believe that if you see an issue or a problem that you should sit back and wait for someone else to address it. Our profession needs to continually evolve, and I think it's important to volunteer so that our voices are heard when decisions are made about shaping and improving the insolvency system. I am honoured to receive this award."*



**Alana Orrell**, CPA, CA, CIRP, LIT

“

*I am very proud of my involvement in the CIRP community and in helping ensure the sustainability of our profession. It is an honour to have my peers recognize my efforts and my contribution with this award. It is also encouraging in pursuing my interests with CAIRP, the Quebec Association and issues that touch our practice in general."*

**Samuel Gignac**, CPA, CIRP, LIT



## KEITH G. COLLINS MEMORIAL AWARD

This award is presented to members of the Association who have demonstrated that they are following in the footsteps of Keith G. Collins. Keith Collins was respected within the profession and the community for his integrity, courtesy and commitment. The award recognizes the qualities associated with the Chartered Insolvency and Restructuring Professional (CIRP) mark. This year's recipient is **Guyline Houle**.

“

*What an honour it is to even be considered for the Keith G. Collins Memorial Award, let alone to actually receive it! In my many years of volunteering for CAIRP, I have had the privilege of working alongside a great deal of committed, professional and highly respected members of the association, who truly embody the spirit of Keith Collins. To now become a recipient of this award myself is truly humbling. I am so proud to see Keith's legacy, passion and desire for the continuous evolution of the insolvency practice continue to inspire new generations of dedicated and upstanding professionals. There are no words to describe the warmth and gratefulness I felt upon learning that the nomination committee had recognized my involvement, commitment and professionalism as being worthy and deserving of the Keith G. Collins Memorial Award. It has been and continues to be my sincere pleasure to dedicate time and effort to the practice and the community. I am excited to see what the future of insolvency holds and am confident that our members will continue to drive its success and development, in the spirit of dear Keith.*



**Guyline Houle**, BCL, FCIRP, LIT



## FELLOW CHARTERED INSOLVENCY AND RESTRUCTURING PROFESSIONAL

A Fellowship is the highest honour CAIRP can bestow on a member and is intended to recognize those members who have given distinguished and continuous service to the Association and who have made a significant contribution to the field of Canadian Insolvency Practice. This year, **Marla Adams** and **Tim Carson** are being recognized for their contributions.

“

*Receiving the Fellowship Award is like a “lifetime achievement” recognition for service to the profession. Having retired from active practice a few years ago and having completed many years of involvement with CAIRP, I am pleased to be able to celebrate this final achievement. Thank you to my nominators and to the Association for recognizing me.”*

**Marla Adams**, CPA, CA, FCIRP



“

*The people I have had the pleasure of working with throughout all of my CAIRP activities, are people who are strongly committed to our profession and are passionate about our Association. The FCIRPs among them are people whose leadership has influenced and motivated others to strive for excellence in our own practices and in our profession. I consider it a great honour to be included in this group.”*

**Tim Carson**, FCIRP (ret.):



## Honours and Awards Nominating Committee

### Chair:

- Donna Collins, FCIRP (ret.) – MB

### Board Liaison:

- Jean-Daniel Breton, CPA, FCIRP, LIT – QC

### Members:

- Mark Rosen, LL.B, FCIRP – NS
- Bill Courage, CPA, CA, FCIRP (ret.) – ON
- Guylaine Houle, BCL, FCIRP, LIT – QC
- Dave Johnson, CIRP (ret.) – MB
- Chantal Gingras, FCIRP, LIT – ON
- Craig Munro, CPA, CA, FCIRP, LIT – BC
- Rob Hunt, FCPA, CA, FCIRP, LIT – NS

“

*In any given year CAIRP benefits from its members volunteering significant amounts of their time and expertise. These volunteers have discovered the secret of volunteerism: You get back much more than you put in. This year, as in previous years, the calibre of the resumes for whom award nominations were received was impressive. Thank you to the Honours and Awards Committee and CAIRP staff for ensuring our members who have provided extraordinary service are recognized. Congratulations to all the 2022 award recipients.”*



**Donna L. Collins**, FCIRP, (ret.)

Chair, Honours and Awards Nominating Committee



# Education

The CQP Committee once again has had a busy and successful year. Below are the key highlights:

- The new MoU between CAIRP and the OSB was implemented and communicated to candidates and members, including the new CQP entrance requirements.
- Given the continuing Covid-19 restrictions, all exams were written remotely in the candidate's home or office with the use of remote proctoring software to ensure the security and the integrity of the exam.
- The Core Knowledge Exam Board continued to build up the exam bank with 3-option multiple choice questions. The 2021 pass rate was 70%, with 53 candidates (39 English/14 French) writing the exam.
- The 2021 Tutorial was delivered online with each session recorded and archived for candidate retrieval as needed.
- New resources were added for CNIE candidates this year including a practice scenario comparing an academic vs. a competency-based answer to an exam question and sample answers to two past CNIE exam questions (non-competent and model answers). Annotations from experienced CNIE assessors indicated why the answers were weak.
- The 2-day CNIE was written in November 2021, with a pass rate of 45%, with 51 candidates (40 English/11 French) writing the exam.
- The CNIE was once again assessed remotely using online forms and collaboration software. A survey of markers indicates a preference for continuing with remote assessment post-pandemic.
- There were two PCIC examinations, in June 2021 and February 2022. The pass rate over the two exams was 92%, with 58 candidates (49 English/9 French) writing the exam.
- The Insolvency Administrators program offers the final exam on demand, with the pass rate over the year of 89%, with 36 candidates (28 English/8 French) writing the exam.

## CQP Committee

### Chair:

- Vanessa Allen, CIRP, LIT – AB

### Vice Chair:

- Chris Mediratta, CIRP, LIT – ON

### Board Liaison:

- Jean-Daniel Breton, CPA, FCIRP, LIT – QC

### Past Chair:

- Tim Carson, FCIRP (ret.) – ON

### Members:

- Simone Carvalho, CPA, CA, CIRP, LIT – ON
- Andrew Dalgleish, CIRP, LIT – QC
- Gail Fayerman, CPA, CA, MBA – QC
- Gillian Goldblatt, CPA, CA, CIRP, LIT – ON
- Michael Krieger, CIRP, LIT – ON

### OSB Representatives:

- Paul Berry – NS
- Leanna Knox-Kinsman – ON
- Nicholas Millen – ON

## Core Knowledge Exam Board

### Chair:

- Michael Braga, CIRP, LIT – ON

### Members:

- Adam Laiken, CPA, CA, CIRP, LIT – ON
- Bonnie Bryan, CIRP, LIT – ON
- Lynn DeLaBarre, CIRP, LIT – BC
- Mina Rastan, CPA, CA, CIRP, LIT – ON
- Noel Andrews, CFE, CIRP, LIT – NL
- Tania Daher, CIRP, LIT – QC
- Chris Bowra, CPA, CA, CIRP, LIT – BC

In January/February 2022 a survey was distributed to all candidates that wrote the CNIE in 2020 or 2021. The survey was intended to gather feedback to assist CAIRP in enhancing the CQP and CNIE preparatory materials and other candidate supports. With a response rate of over 70%, we were able to gather valuable information. The CQP Committee will use the survey results to develop strategies and instructional supports that improve the candidate experience and success in the program in 2022-2023.

The CQP renewal project continues, with the revised Introductory Course to be launched in January 2023. As new resources and tools are developed for the renewal project,

CAIRP will endeavor to provide them in existing course offerings, therefore ensuring that all candidates can benefit.

The CQP Committee acknowledges the exceptional contribution made to the Committee's mandate by CAIRP staff Lynn Bailey (Director of Education), Gina Letourneau (Senior Advisor, Education), Isabelle Gauthier (Manager of Education and CQP Registrar) and Benjamin Lecointre (Education coordinator) and by CAIRP Subcommittee Chairs Mark Wentzell (Exam Oversight Committee), Mike Braga (Core Knowledge Exam Board) and Naida Kornuta and Lee Close (CNIE Exam Board).

“

*I am proud to have worked alongside our strong and committed CQP committee members who, with input from Lynn and the CAIRP team are bringing new ideas to the table to improve the process. I am pleased to see the program continue to develop, which hopefully will result in a continually improving candidate experience and continue to push out strong new entrants to our profession.”*

**Vanessa Allen**, CIRP, LIT



## Exam Oversight Committee

### Chair:

- Mark Wentzell, CPA, CA, LL.B., CIRP, LIT – BC

### Members:

- Sheri Aberback, CFE, CIRP, LIT – QC
- Jean-Daniel Breton, CPA, FCIRP, LIT – QC
- Simone Carvalho, CPA, CIRP, LIT – ON
- Deane Gurney, CIRP, LIT – BC
- Kristin Gray, CPA, CA, CIRP, LIT – AB
- Bridget van Wyk, CPA, CA, CIRP, LIT – BC
- Julie Wildman, CPA, CA, CIRP, LIT – ON

## CNIE Board

### Co-Chair:

- Lee Close, CPA, CA, CIRP, LIT – ON

### Co-Chair:

- Naida Kornuta, CIRP, LIT – SK

### Members:

- John Delo, CPA, CA, CIRP, LIT – ON
- Michael Krieger, CIRP, LIT – ON
- Stephan Moyneur, CIRP, LIT – QC
- James Foran, CPA, CA, CIRP, LIT – NS
- Pinky Law, CPA, CA, CIRP, LIT – BC
- Adam Boettger, CPA, CA, CIRP, LIT – ON
- Kyle Harris, CIRP, LIT – ON

# Professional Development

Building on the success of the National Webinar Series, CAIRP's planning committees put together another stellar line-up of thought provoking and informative webinars. Between June 2021 and February 2022, CAIRP released 28 original live and on-demand webinars in both English and French, providing CAIRP members and the public with timely and educational webinars. Our total webinar views reached over 3800 and 81% of our membership attended one or more CAIRP professional development webinars.

On February 4, 2022, almost 850 attendees tuned in remotely for the 2022 ARIL Virtual Conference powered by CAIRP. The conference was a full-day live streamed event with new innovations such as simultaneously run sessions. The popular ARIL Podcast Program also returned with an expanded number of podcasts for attendees to enjoy. With the support of our many sponsors, speakers and authors, the team was able to create a successful event featuring compelling and engaging sessions.

We thank all the volunteers who dedicate their time throughout the year, without whom the professional development events would not be possible! We also thank Natalie Alfano CAIRP's Director, Professional Development and Josephine Song, Events Assistant for their efforts.

“

*We took what we learned in the first year of our online conference and used it to improve our offerings and came up with some great content for our members. I want to thank all the members of the committee and all of our great panelists and of course the CAIRP professional development staff that made it all possible.”*

**Brad Newton**, CBV, CPA, CA, CIRP, LIT



“

*“The 2021 CAIRP National Webinar Series delivered relevant and innovative content. It was a pleasure to hear from a diverse set of speakers from the business, restructuring, judicial, legal, and academic communities. Thank you to Natalie Alfano and Josephine Song of the CAIRP, fellow committee members, and Co-Chair for your commitment to making this happen.”*

**Stefano Damiani**, CPA, CA, CIRP, LIT



## Insolvency & Restructuring Forums Committee

### Members:

- Crystal Buhler, CPA, CGA, CIRP, LIT – MB
- Kristin Gray, CPA, CIRP, LIT – AB
- Guylaine Houle, BCL, FCIRP, LIT – QC
- Blaire MacNeil, MBA, CPA, CMA, CIRP, LIT – NS
- Philippe Mendelson, CPA, CMA, CIRP, LIT – BC

## Insolvency and Restructuring Exchange Committee

### Co-Chairs:

- Stefano Damiani, CPA, CA, CIRP, LIT – ON
- Brad Newton, CBV, CPA, CA, CIRP, LIT – ON

### Members:

- Stephanie Burrowes, CIRP, LIT – ON
- Adam Erlich, CPA, CA, CIRP, LIT – ON
- Jeffrey Lewis, CPA, CA, FCCA, CIRP, LIT – ON
- Alex MacFarlane, LL.B – ON
- Alexandra Morataya, CIRP, LIT – ON
- Allen Yao, CFA, CPA, CA, CIRP, LIT – ON

# Communications

## Media Communications Committee

The Media Communications Committee (MCC) set an aggressive agenda for fiscal 2021-22. The committee continued to take a very strategic approach to expanding the integrated communications program to enhance awareness of CAIRP's mission and services to its members and raise the profile of its members in the public. Some notable achievements include:

- Completion of the brand refresh of CAIRP's brand, updating CAIRP's website in line with the new brand and updating the Find a CIRP service.
- The CAIRP/Provincial Association Website Initiative, which involved the creation of 8 new provincial association websites that are closely aligned in brand look, feel and messaging with CAIRP and stem from the CAIRP website.
- Developing 12 blog posts on various topics of interest for consumers and businesses.
- Conducting another successful Facebook Live webinar on "Budgeting in a time of inflation" aimed at educating the public as part of the FCAC's Financial Literacy Month.
- Increasing our reach on all three CAIRP social media channels (Facebook, Twitter and LinkedIn) by 34%, with the largest increase occurring on Facebook.
- Developing 8 email updates/newsletters to communicate the latest CAIRP news with our members, with an average readership of > 60%.

### Media Communications Committee

#### Chair:

- Mary Ann Marriott, CIRP, LIT – NS

#### Members:

- Pamela Meger, CIRP, LIT – SK
- Rita Anderson, CIRP, LIT – NS
- Nathan Sugeng, MBA, CIRP, LIT – ON
- Andy Fisher, CIRP, LIT – ON
- Brandon Smith, CIRP, LIT – ON
- Shelley Koehli, CIRP, LIT – BC
- Colleen Craig, CPA, CA, FCIRP, LIT – BC
- Craig Fryzuk, CIRP, LIT – AB
- Collin LeGall, CPA, CMA, CIRP, LIT – MB
- Daniel Budd, CIRP, LIT – QC

“

*This past year's efforts included the growth of the committee resulting in representation from each province, and a collaborative approach with the provinces and CAIRP to streamline our messaging. This will lay the foundation for some great initiatives going forward. We look forward to an exciting year ahead.”*

**Mary Ann Marriott, CIRP, LIT**



## Editorial Advisory Board

The Editorial Advisory Board is a volunteer board that is responsible for generating technical and editorial content for *Rebuilding Success*, which is CAIRP's official biannual magazine published online. Since 2002, *Rebuilding Success* has evolved into a substantial publication addressing a broad spectrum of topics that impact stakeholders in the insolvency and restructuring community across Canada.

The magazine is intended to be a practical and informative publication for practitioners to enhance their awareness and appreciation of emerging issues and judicial developments across the country. Over the past year we continued on this path and, among others, presented articles related to the impact of the pandemic on the economy, profiled CAIRP's new Chair and interviewed a senior leader at the World Bank, Mahesh Uttamchandani, who has taken Canadian insolvency knowledge to the global stage.

The magazine now has a circulation approaching 7,000 readers. In addition to the general members of CAIRP and students enrolled in CAIRP's education program, *Rebuilding Success* is distributed to lawyers, lenders, regulators, academics and others whose professional activities focus on Canada's insolvency and restructuring system.

Rebuilding Success is made possible by the support of its advertisers. We greatly appreciate the insolvency and restructuring practices, law firms and other service providers who use the magazine to reach the Canadian marketplace and publicize their services. Our thanks as well to Jovita D'sa CAIRP's Manager, Communications.

“

*The Editorial Advisory Board works diligently to identify current issues, refine topics and solicit authors. It also receives contributions and assesses their suitability for inclusion in Rebuilding Success. The EAB's wide variety of skills and experience ensures that CAIRP members receive relevant information on a timely basis. Thank you to the members of the EAB and to the hard-working staff at CAIRP for their efforts in creating an excellent magazine.”*

**Bill Courage**, CPA, CA, FCIRP (ret.).



### Editorial Advisory Board

#### Chair:

- Bill Courage, CPA, CA, FCIRP (ret.) – ON

#### Board Liaison:

- Zaki Alam, CPA, CA, CIRP, LIT – AB

#### Members:

- Jeffrey Lee, Q.C. – SK
- Yves Patrice Beaudin, CIRP, LIT – QC
- John Haralovich, CPA, CMA, CFE, CIRP, LIT – ON
- Mary Buttery, LL.B., Q.C. – BC
- Paul Casey, CPA, CA, FCIRP, LIT – ON
- Sanjeev Mitra, LL.B. – ON
- Jennifer Mc Cracken, CIRP, LIT – BC



# Finance & Professional Conduct

## Finance Committee

The Finance Committee fulfills an important oversight function with respect to the financial management and reporting of the Association.

Each year, the committee meets with the auditors both before and following completion of the audit field work, including an in-camera session with the auditors following each year's engagement. On at least a biennial basis, the committee meets with the association's investment advisor and reviews its investment policy statement to ensure that net assets are invested prudently and optimally. As the end of each fiscal year approaches, the committee helps to inform the planning assumptions used to establish the association's annual budget for the following fiscal year, and reviews the annual draft budget in detail to assist the board in its approval of each annual operating budget.

On a quarterly basis, the committee meets to review the quarterly financial results in detail, to assess performance relative to budget and the prior year, to identify any developments which might deviate from plan, and to identify corrective actions to help steer the association to ensure achievement of its annual objectives. At each quarterly meeting, the committee reviews management's report which details the association's fulfillment of statutory and regulatory reporting obligations, including remittance of all taxes, and submission of all annual corporate filings to various federal and provincial government entities.

In addition to fulfilling all of its annual obligations over the past year, the committee also initiated an independent internal control review. The results of the review reported a very strong internal control framework for an organization of this size, which is often met with challenges in segregating duties given the small volume of staff. The report identified some opportunities for further improvement, some of which were suggested by management and which have been included in the business plan as strategic objectives for the next year. Most of the recommendations for improvement were not to address any significant gap in controls, but rather, to further strengthen the entire control framework. For greater context, the auditors have not issued a management report over the past few years, which is normally provided following an annual audit to suggest actions that can be taken to improve the internal control framework based upon deficiencies or opportunities identified during the annual audit of the financial statements. Next year, the committee will have progress reporting on the implementation of the internal control improvements as a standing item on its agenda for each meeting.

The committee also had significant discussion regarding the association's investment policy statement, given the reduction in yields over the past year as older instruments in the investment portfolio matured and were reinvested at lower rates of return, given the unprecedented lower rates brought on by the pandemic. This review is ongoing and will continue into next year in order to prepare the organization to respond as further instruments are set to mature in late 2023.

The committee would like to thank the board, members of all committees and staff including Steve D'Alessandro, Chief Operating Officer and Anh Nguyen, Administrative Assistant for their hard work in ensuring another successful year for the Association.

### Finance Committee

#### Chair:

- Marla Adams, CPA, CA, FCIRP (ret.) – SK

#### Observer:

- Jean-Daniel Breton, CPA, FCIRP, LIT – QC

#### Members:

- Craig Munro, CPA, CA, FCIRP, LIT – BC
- Michelle Grant, CIRP, LIT – BC
- Derrick Hutchens, CIRP (ret.) – NL
- Samuel Gignac, CPA, CIRP, LIT – QC
- Alana Orrell, CPA, CA, CIRP, LIT – BC
- Jorden Sleeth, CPA, CA, CIRP, LIT – ON

“

*Again this year CAIRP has demonstrated resiliency and creativity as it managed the continuing impact of the on-going pandemic. Again the committed leaders and staff put the Association and its members' goals first in its delivery of services. Volunteers continued to step up their involvement, in spite of the increasing practice demands of these uncertain times, allowing the Association to deliver perhaps its most important work to date. Thank you to staff, Board and volunteers. It has been a pleasure to serve as the Association Treasurer in this my fourth and final year."*

**Marla Adams**, CPA, CA, FCIRP



## Professional Conduct Committee

An important element in the enforcement of CAIRP's Bylaws, Rules of Professional Conduct and Standards of Professional Practice includes the investigation of complaints received by the Association regarding the conduct of CAIRP members and associates. The Professional Conduct Committee (PCC) is responsible for investigating all complaints received by the Association, and is comprised of members from across the nation, with representation from each of the Provincial Associations. All complaints are independently screened in order to identify potential conflicts of interest before a complaint file is shared with PCC members. The committee meets on a monthly basis in its efforts to deal with each complaint fairly and efficiently.

The committee has been busy in reviewing a number of new cases. During the period from April 1, 2021 to March 31, 2022, the committee received nine new complaints and closed four cases. As of March 31, 2022, there were seven active cases which are ongoing. For each of the four cases which were closed, the PCC found no misconduct by the members against whom these complaints were filed.

The nature of complaints and the extent of review and depth of analysis required represents a significant commitment by PCC members for which I am very grateful. I would like to thank all PCC members for their ongoing commitment to enforcing and maintaining CAIRP's commitment to professionalism, trustworthiness and objectivity.

“

*We are required to conduct ourselves in a professional manner. With that, our decisions are sometimes questioned by debtors, creditors and members of CAIRP. The PCC committee is tasked with reviewing concerns of various stakeholders to ensure our profession conducts itself with the highest level of integrity. The PCC committee is something you should consider joining where you can help in assisting our profession."*

**John Haralovich**, CFE, CPA, CA, CMA, CIRP, LIT



## Professional Conduct Committee

### Chair:

- John Haralovich, CFE, CPA, CA, CMA, CIRP, LIT – ON

### Board Liaison:

- Noel Andrews, CFE, CIRP, LIT – NL

### Members:

- Rita Anderson, CIRP, LIT – NS
- Jasmin Brown, CPA, CA, CIRP, LIT – SK
- Martine Lessard, CIRP, LIT – QC
- Joe Healey, CPA, CA, CIRP, LIT – MB
- Kathy Lenart, CPA, CA, CIRP, LIT – ON
- Steven McLaughlin, CBV, CPA, CA, CIRP, LIT – NB
- David Lewis, CPA, CA, CIRP, LIT – AB
- Mario Mainella, CPA, CA, CIRP, LIT – BC

# Advocacy & Interventions

## Consumer Practice Committee

Fiscal year 2021-22 was another exceptionally productive and busy year for the Consumer Practice Committee. The OSB launched its *Comprehensive Review of Directives and Regulations under the BIA and CCAA* in March 2021. Building on the preliminary work undertaken by the Committee in the months preceding the consultation, the Committee formed five Subcommittees to respond to the four key themes of the OSB consultation including Accessibility to the Insolvency System, Modernization/Innovation, MSME Insolvency and Licensing Modernization along with the Tariff issue. Feeding into the Consumer Practice Committee's efforts was input from a broad consultation with members, Provincial Associations and member firms. This highly collaborative effort resulted in the development of thoughtful and forward-looking industry position as part of CAIRP's response which was submitted in June 2021.

The Consumer Practice Committee also engaged in three additional consultations emerging from the Regulatory Review including the OSB's Discussion Paper on the *Trustee Annual Report* in September 2021 and the OSB's Notice on *Proposed Amendments to Directive No. 6R3, Assessment of an Individual Debtor and Directive No. 1R6, Counselling in Insolvency Matters* in November 2021. In December 2021, the OSB launched its *consultation on the Modernization of Physical Office Requirements for LITs*. A comprehensive Member Survey managed by the research firm Discover by Navigator was undertaken to ensure member views were properly captured. The Consumer Practice Committee along with Provincial Associations and the CAIRP Board of Directors provided input into the survey development to ensure its completeness. The survey provided the basis for the CAIRP response to the consultation which was submitted in March 2022.

### Consumer Practice Committee

#### Chair:

Chantal Gingras, FCIRP, LIT – QC

#### Board Liaison:

André Bolduc, CPA, CA, CIRP, LIT – ON

#### Members:

Noel Andrews, CFE, CIRP, LIT – NL

Jasmin Brown, CPA, CA, CIRP, LIT – SK

Larry Crandall, LLB, CIRP, LIT – NB

Guylaine Houle, BCL, FCIRP, LIT – QC

David Smith, CIRP, LIT – AB

Brenda Wood, CIRP, LIT – NS

Gillian Goldblatt, CPA, CA, CIRP, LIT – ON

Crystal Buhler, CPA, CGA, CIRP, LIT – MB

“

*The members of the Consumer Practice Committee and the Subcommittees demonstrated tremendous commitment to the industry through their efforts, provision of expertise and countless hours spent on responses to the consultations this past year. Their passion to advance the consumer insolvency profession and advance the interests of CAIRP and its members is greatly appreciated. I want to acknowledge and applaud their efforts.”*



**Chantal Gingras**, FCIRP, LIT

## Corporate Practice Committee

The Corporate Practice Committee (CPC) and its WEPPA Subcommittee engaged on a number of relevant matters affecting corporate insolvency and restructuring members. At the start of the fiscal year the CPC was engaged to develop CAIRP's corporate response to the OSB's *Comprehensive Review of Directives and Regulations Under the BIA and CCAA* as part of CAIRP's overall submission. In November 2021, the WEPPA Subcommittee and Employment and Social Development Canada (Labour Program) held a roundtable discussion to review areas of the regulations amending the Wage Earner Protection Program Regulations that required clarification and to provide input into their communications bulletin entitled *Changes to the Wage Earner Protection Program*. Members may recall that a number of CAIRP's recommendations in 2019 and 2020 on the Wage Earner Protection program were included in the new regulations.

“

*On behalf of the members and as Chair of the CPC, I would like to offer my sincere thanks to the Committee members for their important contributions over the past year to improve Canada's corporate insolvency and restructuring system. Given the continued backdrop of the pandemic this was particularly impressive.”*



**Jonathan Krieger**, CPA, CA, CIRP, LIT

### Corporate Practice Committee

#### Chair:

- Jonathan Krieger, CPA, CA, CIRP, LIT – ON

#### Board Liaison:

- Emmanuel Phaneuf, CIRP, LIT – QC

#### Members:

- Stephen Ferguson, CPA, CA, CIRP, LIT – ON
- Patricia Marshall, CIRP, LIT – BC
- Todd Ambachtsheer, CPA, CA, CIRP, LIT – ON
- David Lewis, CPA, CA, CIRP, LIT – AB

## Intervention Committee

This past year, the Intervention Committee, which reviews and acts upon opportunities for court case interventions of national interest to the insolvency and restructuring community, received a positive Supreme Court decision on a prior intervention and intervened in three court cases as well as considered several other requests.

The Canada North Group Inc. case moved forward to the Supreme Court following a positive decision in the Alberta Court of Appeal. The case dealt with whether a deemed trust claim by Canada Revenue Agency should take priority over court-ordered priority charges. CAIRP was granted Intervenor status by the Supreme Court of Canada and a decision was issued by the court in July 2021 (2021 SCC 30). While the Court's decision is complex, as it comprises 4 different opinions, the majority judgement (5-4 split) is consistent with CAIRP's position in its intervention regarding the need for superpriority charges that have priority over the government's deemed trust for source deductions, in the context of restructuring files. Our thanks to Osler (Randal Van de Mosselaer) who handled the intervention for CAIRP.

CAIRP was granted intervenor status in the Sanaa Ismail Abed Ali vs. Attorney General of Canada case in BC appearing before Justice Basran on December 15, 2021. The case looks at who bears the responsibility for paying for an interpreter in a summary administration bankruptcy. The Judge's decision was issued on February 3, 2022 (2022 BCSC 169) and supported the arguments CAIRP made in its intervention. Denton LLP (Tevia Jeffries) represented CAIRP in the matter.

In Quebec, CAIRP's intervention in the Pierre Nolet vs. the Attorney General of Canada case moved to a pre-hearing conference on December 12, 2021 before Justice de Blois, where an agreement was reached to consider firstly a threshold issue. It is expected the case will be heard in early October 2021. Norton Rose Fulbright Canada LLP (Christian Roy) is representing CAIRP on this file.

CAIRP also applied for intervention status in the John Trevor Eyton case in Ontario, however the application was denied. Although CAIRP did not get the opportunity to make representations, the judgment rendered by Justice Dunphy is of interest. In a judgment rendered May 19, 2021 (2021 ONSC 3646), the Ontario Superior Court of Justice dismissed the appeal of a master's decision and confirmed that while a statute-barred claim continues to exist, it is not a provable claim in bankruptcy as it is not a claim to which the bankrupt is subject.

As mentioned earlier, there are several other cases that were considered by the Intervention Committee with different outcomes. In some cases the decision on whether to intervene became moot because the parties decided against continuing an appeal; in other cases the Intervention Committee decided that an intervention was not appropriate; and in other cases the Committee decided that an intervention was not necessary because no additional perspective could be brought by an intervention, beyond the position being asserted by the parties already involved in the case. And in some instances, the cases are still being monitored by the Intervention Committee to assess whether an intervention might be appropriate at a later stage.

We remind members that the Intervention Committee reviews cases and makes recommendations regarding a possible intervention based on set criteria that focus primarily on the importance of the decision for the profession and the need to promote the objectives of federal insolvency legislation. The members are invited to reach out to CAIRP when they become aware of a case where insolvency principles are at play and where an intervention might be warranted.

### Intervention Committee

#### Board Representative:

- Jean-Daniel Breton, CPA, FCIRP, LIT – QC

#### Members:

- Christopher Galea, CPA, CA, CIRP, LIT – ON
- Phil Reynolds, CPA, CA, CIRP – ON
- Alain Tardif, BCL – QC
- Robert Klotz, J.D., LL.M. – ON
- Colleen Craig, CPA, CA, FCIRP, LIT – BC
- Sharon Hamilton, CPA, CA, CIRP, LIT – ON

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*I would like to thank the members of the Intervention Committee for sharing their expertise. Their dedication and commitment to the insolvency community is commendable.”*

**Jean-Daniel Breton, CPA, FCIRP, LIT**





# CAIRP Staff & Former Chairs

## Board Chairs

1979-80 L. Claude Mercure, CPA, FCIRP (ret.)  
1980-81 Keith G. Collins, FCA, CA, FCIRP  
1981-82 Ian K. Strang, FCA, FCIRP  
1982-83 C. Garth MacGirr, FCPA, FCA, FCIRP (ret.)  
1983-84 Donald J. Henfrey, FCPA, FCA, FCIRP (ret.)  
1984-85 Gary F. Colter, FCPA, FCA, FCIRP (ret.)  
1985-86 John J. Swidler, FCPA, FCA  
1986-87 Beverly W. Fowler, CPA, CA, FCIRP (ret.)  
1987-88 Alan G. Driver, CPA, CA, FCIRP (ret.)  
1988-89 George B. Lomas, FCPA, FCA, FCIRP  
1989-90 Terence M. McMullen, FCPA, FCA, FCIRP (ret.)  
1990-91 Jean-Guy Daoust, CPA, CA, CIRP  
1991-92 J. Alan MacKinnon, FCPA, FCA, FCIRP (ret.)  
1992-93 Uwe Manski, FCPA, FCA, FCIRP (ret.)  
1993-94 William J. Drake, FCPA, FCA, CIRP  
1994-95 Gilles Campeau, CPA, FCIRP (ret.)  
1995-96 Stephen H. Barnes, FCIRP (ret.)  
1996-97 Ralph W. Peterson, CPA, CA, FCIRP (ret.)  
1997-99 Robert O. Sanderson, FCPA, FCA, FCIRP (ret.)  
1999-01 Peter D. Wedlake, LL.B., FCIRP  
2001-03 Larry W. Prentice, FCPA, FCA, FCIRP  
2003-05 William Alan Courage, CPA, CA, FCIRP  
2005-07 Claude Gilbert, FCPA, FCIRP  
2007-09 Alan H. Spergel, CPA, CA, CFE, FCIRP  
2009-11 Kevin Brennan, CPA, CA, FCIRP  
2011-13 Guylaine Houle, BCL, FCIRP  
2013-15 Paul Casey, CPA, CA, FCIRP  
2015-16 David Wood, CIRP  
2016-17 Larry Prentice, FCPA, FCA, FCIRP, FIIC  
2017-19 Chantal Gingras, FCIRP  
2019-21 Mark Rosen, LL.B, FCIRP

## CAIRP Staff

### PRESIDENT AND CEO

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**Anne Wettlaufer**, FICB

### ADMINISTRATION AND MEMBERSHIP

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**Steve D'Alessandro**, CPA, CGA  
Chief Operating Officer

**Anh Nguyen**  
Administrative Assistant

### EDUCATION

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**Lynn Bailey**, FCPA, FCGA  
Director, Education Programs

**Isabelle Gauthier**  
Registrar and Manager, CQP

**Gina Létourneau**  
Senior Advisor, Education

**Benjamin Lecointre**  
Educational and Technical Assistant

### COMMUNICATIONS

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**Jovita D'sa**  
Manager, Communications

### PROFESSIONAL DEVELOPMENT

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**Natalie Alfano**  
Director, Professional Development

**Josephine Song**  
Events Assistant

# Treasurer's Report



**Marla Adams** CPA, CA, FCIRP  
**CAIRP TREASURER**

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On behalf of the Board of Directors, I am again pleased to present CAIRP's audited financial statements. Despite a small operating deficit in the year, and education program renewal moving into high-gear with an investment of approximately \$70,000 last year, the Association's financial position remains strong, with over \$2.8 million in net assets. The following is a summary of the key highlights of CAIRP'S financial position and results of operations for the year ended March 31, 2022.

## STATEMENT OF FINANCIAL POSITION

The Association's liquidity position remains strong, with cash and short-term investments of \$606,921 and a long-term investment portfolio totalling \$2,268,958 as at March 31, 2022.

Short-term investments are comprised of fixed-income instruments which will mature within the next fiscal year, the proceeds of which will be retained to fund operations and the continuing investment in renewing the education program (CIRP Qualification Program).

The long-term investment portfolio consists of fixed-income instruments issued by provincial governments and CDIC-insured financial institutions. With most of the instruments in the long-term investment portfolio having been acquired within the past few years, during which the nation and most others experienced an unprecedented period of exceptionally low lending

rates, the average yield on the portfolio has declined relative to prior years, when some instruments were still providing rates of return of more than 4% annually. While capital preservation over yield continues to guide the organization's investment strategy, the Finance committee are currently exploring opportunities to increase the portfolio's yield. With recent successive and significant increases in the Bank of Canada's overnight lending rate, the yields available on fixed-income instruments have improved, which may afford opportunities to return to higher yields in the future without having to assume additional risk. With inflationary concerns at present, however, the committee will necessarily consider options to keep pace with inflation to ensure that a real return is realized well into the future.

With collections remaining current, there were no receivables to report, other than \$16,461 due from ARIL Society Inc. for its research contribution under the terms of the services agreement between the two parties. Prepaid expenses decreased slightly from \$135,522 to \$130,558 as the US dollar weakened relative to the prior year, decreasing the Canadian equivalent cost of software licenses paid in advance and which support the delivery of the education program. Approximately half of the prepaid expenses represent deposits with venues for in-person events which were negotiated before the COVID-19 pandemic began and which management continues

to plan to recover or to utilize in anticipation of resuming in-person events in the future. Capital assets decreased from \$133,159 to \$112,072 as amortization outpaced the purchase of additional capital assets in the year.

Accounts payable and accrued liabilities decreased from \$239,323 to \$186,136 primarily due to costs incurred in preparing for the website redesign and brand refresh late last fiscal which remained unpaid last year and which did not recur this year. Deferred revenue decreased from \$49,450 to \$20,699 as a result of the expiration of legacy Insolvency Administration examination fees paid in advance but which were not utilized within the prescribed period.

## STATEMENT OF OPERATIONS

Revenue decreased from \$2,126,790 last year to \$1,994,626 primarily due to a significant decline in the volume of enrolment in all education courses and exams.

Member dues decreased slightly as the volume of new CIRPs admitted to membership following successful completion of the Competency-based National Insolvency Examination was not sufficient to keep pace with the volume of retiring members. Investment income decreased over the prior year as interest rates remained exceptionally low throughout the pandemic, with investment maturities within the year having been reinvested at lower yields.

Slightly offsetting these unfavourable revenue developments, Advertising revenue increased slightly as more firms were promoted in the biannual publication, *Rebuilding Success*, and sponsorship revenues in support of the National Webinar Series increased significantly over the prior year, with modest growth in webinar registration revenue as well.

Total expenses decreased from \$2,097,669 last year to \$2,035,561 primarily due to lower expenses in education, coupled with slightly lower administration expenses, both of which were slightly offset by a small

increase in continuing education. Education costs were lower due to lower equipment rental costs for remote examination assessors as more assessors were able to utilize their own equipment this year, lower costs of remote exam proctoring software owing to a weaker US dollar than in the prior year, and lower speaker costs for the national exam tutorial as the virtual form of the tutorial was refined following its inaugural offering in the prior year. The decrease in Administration expenses is outlined further below. Continuing education expenses grew slightly as greater promotion of the National Webinar Series was conducted in order to drive growth in sponsorship and registration revenues.

Despite the decline in education enrolment and the resulting unfavourable decrease in education revenue of approximately \$130,000, the Association was able to contain the impact of this unfavourable development on operating results, ending the year with an operating deficit of \$40,935.

Significant progress has been made with respect to renewal of the CIRP Qualification Program (CQP), with the new Introduction to Insolvency course scheduled to be launched in early 2023. Since the board approved a restriction of net assets for strategic program investments of \$1,000,000, the costs associated with CQP renewal are reported separately on the Statement of Operations, and are charged against restricted net assets on the Statement of Changes in Net Assets.

## STATEMENT OF CHANGES IN NET ASSETS

The operating deficit of \$40,935 generated a decrease in unrestricted net assets. Net assets internally restricted for strategic education program investments decreased by the year's investment in CQP renewal of \$69,619, leaving \$930,381 in restricted net assets to support further education program development.

## STATEMENT OF CASH FLOWS

The net decrease in cash during the year of \$704,764 was primarily the result of further investment in the long-term investment portfolio, \$519,202 of which is now reported as short-term investments as these investments will mature with the next 12 months.

## STATEMENT OF ADMINISTRATION

Total administration expenses decreased from \$1,939,031 to \$1,912,287 due to lower spending in some expense categories, the most significant of which include office expenses, rent and salaries and benefits. The decrease in office expenses is due to a decrease in expenses associated with the website redesign and brand refresh project, as most of these were incurred last fiscal in preparation for the launch in June 2021. As the office facility was not occupied for most of 2020 as a result of the pandemic, an adjustment to additional rent (property tax and utilities) was received in the summer of 2021. Salaries and benefits costs were slightly lower as one employee retired in March 2021; this position was not immediately filled and the reduction in salaries expense was greater than the total annual salary increases.

Communications and consulting expenses increased over the prior year, slightly offsetting the favourable variances noted above. Communications expense increased as a result of increased costs associated with production and distribution of *Rebuilding Success*. Consulting expenses increased this year as one part-time resource was secured for part of the year, to assist in the planning and execution of the ARIL Conference held in February 2022, following the retirement of the employee who was previously providing support for this annual event.

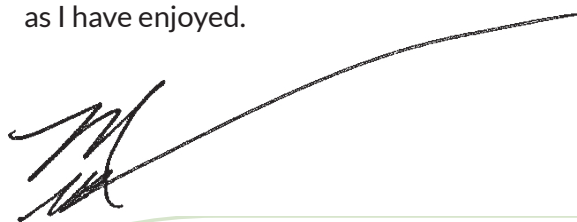
## SUMMARY

Despite the significant decline in education enrolment, the Association's financial position remains strong, with approximately \$2.8 million in net assets, of which \$0.9 million remains internally restricted for strategic education program investments.

The Board of Directors remains confident that the level of net assets is sufficient to achieve the Association's long-term objective and to mitigate the risk of any further unforeseen business challenges.

I want to personally express my gratitude to Steve and Anne and the CAIRP management team for its leadership as we continue to manage through the impact of the pandemic and look to return to "normal" operations. I also want to acknowledge and commend the volunteers that serve on the Executive Committee, the Board of Directors, and all of the many standing and ad hoc committees that provide thousands of hours of service to the Association.

It has truly been an honor and a privilege to serve as Treasurer for the past four years. I am certain that the Association is well positioned to carry on its work on behalf of members and I extend best wishes to the incoming Treasurer for a rewarding experience, such as I have enjoyed.



**Marla Adams, CPA, CA, FCIRP**  
Treasurer

# Auditor's Report

**CANADIAN ASSOCIATION OF INSOLVENCY  
AND RESTRUCTURING PROFESSIONALS /  
ASSOCIATION CANADIENNE DES PROFESSIONNELS  
DE L'INSOLVABILITÉ ET DE LA RÉORGANISATION**

FINANCIAL STATEMENTS

MARCH 31, 2022

**HILBORN** LLP

## Independent Auditor's Report

To the Members of Canadian Association of Insolvency and Restructuring Professionals / Association canadienne des professionnels de l'insolvabilité et de la réorganisation

### Opinion

We have audited the financial statements of Canadian Association of Insolvency and Restructuring Professionals / Association canadienne des professionnels de l'insolvabilité et de la réorganisation (the "Association"), which comprise the statement of financial position as at March 31, 2022, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the 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 the Association as at March 31, 2022, 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Association 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 the information, other than the financial statements and our auditor's report thereon, in the annual report.

Our opinion on the financial statements does not cover the other information and we will 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 identified above 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 our auditor's 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 the ability of the Association 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 the Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the financial reporting process of the Association.



## Independent Auditor's Report (continued)

### Auditor's 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 auditor's 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 the 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 the internal control of the Association.
- 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 the ability of the Association to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's report. However, future events or conditions may cause the Association 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



Toronto, Ontario  
July 7, 2022

Chartered Professional Accountants  
Licensed Public Accountants

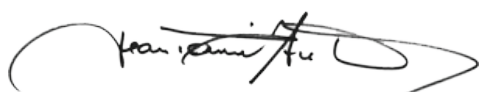
**CANADIAN ASSOCIATION OF INSOLVENCY AND RESTRUCTURING  
PROFESSIONALS /  
ASSOCIATION CANADIENNE DES PROFESSIONNELS DE  
L'INSOLVABILITÉ ET DE LA RÉORGANISATION**

**Statement of Financial Position**

March 31	2022 \$	2021 \$
<b>ASSETS</b>		
Current assets		
Cash (note 3)	87,719	792,483
Investments (note 4)	519,202	-
Due from ARIL Society Inc. (note 11)	16,461	4,882
Prepaid expenses	130,558	135,522
	<b>753,940</b>	<b>932,887</b>
Investments (note 4)	2,268,958	2,256,655
Capital assets (note 5)	112,072	133,159
	<b>2,381,030</b>	<b>2,389,814</b>
	<b>3,134,970</b>	<b>3,322,701</b>
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable and accrued liabilities (note 6)	186,136	239,323
Deferred revenue	20,699	49,450
	<b>206,835</b>	<b>288,773</b>
Special Reserve for Lloyd Houlden Memorial Research Fellowship (note 7)	55,279	38,818
Deferred lease incentives (note 8)	63,374	75,074
	<b>118,653</b>	<b>113,892</b>
	<b>325,488</b>	<b>402,665</b>
<b>NET ASSETS</b>		
Invested in capital assets	48,698	58,085
Internally restricted for strategic education program investments (note 9)	930,381	1,000,000
Unrestricted	1,830,403	1,861,951
	<b>2,809,482</b>	<b>2,920,036</b>
	<b>3,134,970</b>	<b>3,322,701</b>

The accompanying notes are an integral part of these financial statements

Approved on behalf of the Board:



*Jean-Daniel Breton, CPA, FCIRP, LIT Chartered  
Insolvency and Restructuring Professional Chair*



*Marla Adams, CPA, CA, FCIRP (ret.)  
Chartered Insolvency and Restructuring Professional  
Treasurer*

**CANADIAN ASSOCIATION OF INSOLVENCY AND RESTRUCTURING  
PROFESSIONALS /  
ASSOCIATION CANADIENNE DES PROFESSIONNELS DE  
L'INSOLVABILITÉ ET DE LA RÉORGANISATION**

**Statement of Operations**

Year ended March 31	2022 \$	2021 \$
Revenues		
Membership fees	1,148,850	1,160,225
CQP course and examination fees	445,200	575,925
Continuing education seminar and webinar fees and sponsorship	146,800	128,010
Investment income (note 10)	58,170	71,558
Management fees (note 11)	165,000	165,000
Advertising	30,606	26,072
	<b>1,994,626</b>	<b>2,126,790</b>
Expenses		
Administration (see schedule)	1,912,287	1,939,031
CQP courses and examinations	113,990	152,725
Continuing education	9,284	5,913
	<b>2,035,561</b>	<b>2,097,669</b>
Excess of revenues over expenses (expenses over revenues) before the following	<b>(40,935)</b>	29,121
CQP renewal	<b>69,619</b>	-
Excess of revenues over expenses (expenses over revenues) for year	<b>(110,554)</b>	29,121

The accompanying notes are an integral part of these financial statements

**CANADIAN ASSOCIATION OF INSOLVENCY AND RESTRUCTURING  
PROFESSIONALS /  
ASSOCIATION CANADIENNE DES PROFESSIONNELS DE  
L'INSOLVABILITÉ ET DE LA RÉORGANISATION**

**Statement of Changes in Net Assets**

Year ended March 31

	Invested in capital assets \$	Internally restricted for strategic education program investments \$	Unrestricted \$	2022 Total \$
Balance, beginning of year	58,085	1,000,000	1,861,951	<b>2,920,036</b>
Excess of expenses over revenues for year	-	(69,619)	(40,935)	<b>(110,554)</b>
Amortization of capital assets	(28,589)	-	28,589	-
Purchase of capital assets	7,502	-	(7,502)	-
Amortization of deferred lease incentives	11,700	-	(11,700)	-
Balance, end of year	<b>48,698</b>	<b>930,381</b>	<b>1,830,403</b>	<b>2,809,482</b>

	Invested in capital assets \$	Internally restricted for strategic education program investments \$	Unrestricted \$	2021 Total \$
Balance, beginning of year	66,977	1,000,000	1,820,938	2,890,915
Excess of revenues over expenses for year	-	-	29,121	29,121
Amortization of capital assets	(30,721)	-	30,721	-
Purchase of capital assets	7,130	-	(7,130)	-
Amortization of deferred lease incentives	11,699	-	(11,699)	-
Balance, end of year	<b>58,085</b>	<b>1,000,000</b>	<b>1,861,951</b>	<b>2,920,036</b>

The accompanying notes are an integral part of these financial statements

**CANADIAN ASSOCIATION OF INSOLVENCY AND RESTRUCTURING  
PROFESSIONALS /  
ASSOCIATION CANADIENNE DES PROFESSIONNELS DE  
L'INSOLVABILITÉ ET DE LA RÉORGANISATION**

**Statement of Cash Flows**

Year ended March 31	2022 \$	2021 \$
Cash flows from operating activities		
Excess of revenues over expenses (expenses over revenues) for year	(110,554)	29,121
Adjustments to determine net cash provided by (used in) operating activities		
Amortization of capital assets	28,589	30,721
Interest capitalized on investments	(41,566)	(48,247)
Receipt of prior year interest capitalized on investments	166,400	12,635
Amortization of deferred lease incentives	(11,700)	(11,699)
	31,169	12,531
Change in non-cash working capital items		
Decrease in prepaid expenses	4,964	6,916
Decrease in accounts payable and accrued liabilities	(53,187)	(30,038)
Decrease in deferred revenue	(28,751)	(43,625)
	(45,805)	(54,216)
Cash flows from investing activities		
Purchase of investments	(919,607)	(499,016)
Proceeds from disposal of investments	263,268	500,219
Purchase of capital assets	(7,502)	(7,130)
	(663,841)	(5,927)
Cash flows from financing activities		
Repayment from (advances to) ARIL Society Inc.	4,882	(4,882)
Net change in cash	(704,764)	(65,025)
Cash, beginning of year	792,483	857,508
Cash, end of year	87,719	792,483

The accompanying notes are an integral part of these financial statements



**CANADIAN ASSOCIATION OF INSOLVENCY AND RESTRUCTURING  
PROFESSIONALS /  
ASSOCIATION CANADIENNE DES PROFESSIONNELS DE  
L'INSOLVABILITÉ ET DE LA RÉORGANISATION**

**Schedule of Administration Expense**

Year ended March 31	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Amortization of capital assets	<b>28,589</b>	30,721
Audit, legal and consulting	<b>72,756</b>	52,999
Committees	<b>49,000</b>	47,398
Insol International	<b>47,049</b>	46,975
Communication (note 11)	<b>290,328</b>	268,525
Office, printing, postage, courier and sundry (note 11)	<b>178,399</b>	218,449
Rent (note 8)	<b>137,637</b>	155,804
Salaries and benefits	<b>1,108,529</b>	1,118,160
	<b>1,912,287</b>	1,939,031

The accompanying notes are an integral part of these financial statements

# CANADIAN ASSOCIATION OF INSOLVENCY AND RESTRUCTURING PROFESSIONALS / ASSOCIATION CANADIENNE DES PROFESSIONNELS DE L'INSOLVABILITÉ ET DE LA RÉORGANISATION

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## Notes to Financial Statements

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March 31, 2022

### **Nature and description of the organization**

The Canadian Association of Insolvency and Restructuring Professionals / Association canadienne des professionnels de l'insolvabilité et de la réorganisation (the "Association") was incorporated under the Canada Corporations Act on July 27, 1979.

The Association advances the practice of insolvency administration, develops and administers standards of qualification for Chartered Insolvency and Restructuring Professionals ("CIRP's"), and maintains standards of professional conduct for all CIRP's.

The Association is a not-for-profit organization, as described in Section 149(1)(l) of the Income Tax Act, and therefore is not subject to income taxes.

### **1. Significant accounting policies**

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

#### **(a) Revenue recognition**

##### **Membership fees**

Membership fees are recognized as revenue in the fiscal year to which they relate. The membership year of the Association coincides with that of the fiscal year of the Association, being April 1 to March 31. Membership fees received in advance of the fiscal year to which they relate are recorded as deferred revenue.

##### **National Exchange**

Revenue from the National Exchange is recognized in the fiscal year in which the conference is held.

##### **Sponsorship**

Revenue from sponsorships is recognized in the fiscal year in which the related event is held. Sponsorships received in advance of the date of the related event are recorded as deferred revenue.

##### **Course, examination and continuing education seminar and webinar fees**

Revenue from insolvency administration and CIRP Qualification Program ("CQP") courses and continuing education seminars is recognized in the fiscal year of enrolment. Examination fees are recognized as revenue in the fiscal year in which the examination takes place. Examination fees received in advance of the fiscal year in which the examination is held are recorded as deferred revenue. Webinar subscription fees are recognized as revenue in the fiscal year to which they relate. The subscription year coincides with that of the fiscal year of the Association.

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**Notes to Financial Statements (continued)**

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March 31, 2022

**1. Significant accounting policies (continued)**

**(a) Revenue recognition (continued)**

**Investment income**

Investment income comprises interest from cash and investments.

Revenue is recognized on an accrual basis. Interest on investments is recognized over the terms of the investments using the effective interest method.

**Contributions**

The Association follows the deferral method of accounting for contributions.

Restricted contributions received are deferred and recognized as revenue in the year in which the related expenses are incurred.

**Management fees**

Revenue from management fees is recognized in the fiscal year in which the Association delivers the services.

**(b) Deferred lease incentives**

Lease incentives consist of tenant inducements received in cash used to purchase capital assets.

Lease incentives received in connection with original leases are amortized to income on a straight-line basis over the terms of the original lease. Lease incentives received in connection with re-negotiated leases are amortized to income on a straight-line basis over the period from the expiration date of the original lease to the expiration date of the re-negotiated lease.

**(c) Net assets invested in capital assets**

Net assets invested in capital assets comprises the net book value of capital assets less the unamortized balance of tenant inducements used to purchase capital assets.

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**Notes to Financial Statements (continued)**

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March 31, 2022

**1. Significant accounting policies (continued)**

**(d) Related parties**

A party is considered to be related to the Association if such party or the Association has the ability to, directly or indirectly, control or exercise significant influence over the other's financial and operating decisions, or if the Association and such party are subject to common control or common significant influence. Related parties may be individuals or other entities.

The Association initially measures its related party financial instruments at cost, determined using undiscounted cash flows excluding interest and dividend payments, less any impairment losses previously recognized by the transferor.

The Association subsequently measures all related party financial instruments at cost less impairment.

Related party financial instruments measured at cost less impairment include due from ARIL Society Inc.

**(e) Financial instruments**

**Measurement of financial assets and liabilities**

The Association initially measures its financial assets and financial liabilities, with the exception of financial instruments originated in a related party transaction, at fair value adjusted by the amount of transaction costs directly attributable to the instrument.

The Association subsequently measures all of its financial assets and financial liabilities, with the exception of related party financial instruments, at amortized cost.

Amortized cost is the amount at which a financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortization of any difference between that initial amount and the maturity amount, and minus any reduction for impairment.

Financial assets measured at amortized cost include cash and investments.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

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**Notes to Financial Statements (continued)**

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March 31, 2022

**1. Significant accounting policies (continued)**

**(e) Financial instruments (continued)**

**Impairment**

At the end of each year, the Association assesses whether there are any indications that a financial asset measured at amortized cost may be impaired. Objective evidence of impairment includes observable data that comes to the attention of the Association, including but not limited to the following events: significant financial difficulty of the issuer; a breach of contract, such as a default or delinquency in interest or principal payments; and bankruptcy or other financial reorganization proceedings.

When there is an indication of impairment, the Association determines whether a significant adverse change has occurred during the year in the expected timing or amount of future cash flows from the financial asset.

When the Association identifies a significant adverse change in the expected timing or amount of future cash flows from a financial asset, it reduces the carrying amount of the financial asset to the greater of the following:

- the present value of the cash flows expected to be generated by holding the financial asset discounted using a current market rate of interest appropriate to the financial asset; and
- the amount that could be realized by selling the financial asset at the statement of financial position date.

Any impairment of the financial asset is recognized in income in the year in which the impairment occurs.

When the extent of impairment of a previously written-down financial asset decreases and the decrease can be related to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed to the extent of the improvement, but not in excess of the impairment loss. The amount of the reversal is recognized in income in the year the reversal occurs.

**(f) Investments**

Investments consist of Canadian fixed income investments whose term to maturity is greater than three months from date of acquisition. Investments that mature within twelve months from the year-end date, for which there is an intention to re-invest the proceeds at maturity in new investments, are classified as long-term.



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**Notes to Financial Statements (continued)**

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March 31, 2022

**1. Significant accounting policies (continued)**

**(g) Capital assets**

The costs of capital assets are capitalized upon meeting the criteria for recognition as a capital asset, otherwise, costs are expensed as incurred. The cost of a capital asset comprises its purchase price and any directly attributable cost of preparing the asset for its intended use.

Capital assets are measured at cost less accumulated amortization and accumulated impairment losses.

Amortization is provided for, upon commencement of the utilization of the assets, on a straight-line basis at rates designed to amortize the cost of the capital assets over their estimated useful lives. The annual amortization rates are as follows:

Computer equipment	5 years
Furniture and fixtures	10 years

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

A capital asset is tested for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable. If any potential impairment is identified, the amount of the impairment is quantified by comparing the carrying value of the capital asset to its fair value. Any impairment of the capital asset is recognized in income in the year in which the impairment occurs.

An impairment loss is not reversed if the fair value of the capital asset subsequently increases.

**(h) Contributed services**

The work of the Association is dependant on the voluntary service of many individuals. Since these services are not normally purchased by the Association and because of the difficulty of determining their fair value, contributed services are not recognized in these financial statements.

# CANADIAN ASSOCIATION OF INSOLVENCY AND RESTRUCTURING PROFESSIONALS / ASSOCIATION CANADIENNE DES PROFESSIONNELS DE L'INSOLVABILITÉ ET DE LA RÉORGANISATION

## Notes to Financial Statements (continued)

March 31, 2022

### 1. Significant accounting policies (continued)

#### (i) Management estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the current year. Actual results may differ from these estimates, the impact of which would be recognized in future years.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future years affected.

#### (j) Accounting changes

The Association adopted the amendments to CPA Canada Handbook Part II, Section 3856, Financial Instruments, relating to the recognition of financial instruments originated or exchanged in a related party transaction on January 1, 2021. The adoption of these amendments had no impact on the Association's financial statements.

### 2. Financial instrument risk management

The Association is exposed to various risks through its financial instruments. The following analysis provides a measure of the Associations' risk exposure and concentrations.

The financial instruments of the Association and the nature of the risks to which those instruments may be subject, are as follows:

Financial instrument	Risks				
	Credit	Liquidity	Market risk		
			Currency	Interest rate	Other price
Cash	X			X	
Investments	X			X	
Due from ARIL Society Inc.	X				
Accounts payable and accrued liabilities		X			

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**Notes to Financial Statements (continued)**

March 31, 2022

**2. Financial instrument risk management (continued)**

**Credit risk**

The Association is exposed to credit risk resulting from the possibility that parties may default on their financial obligations, or if there is a concentration of transactions carried out with the same party, or if there is a concentration of financial obligations which have similar economic characteristics that could be similarly affected by changes in economic conditions, such that the Association could incur a financial loss.

The maximum exposure of the Association to credit risk is as follows:

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Cash	87,719	792,483
Due from ARIL Society Inc.	16,461	4,882
Investments	2,788,160	2,256,655
	-	-
	<u>2,892,340</u>	<u>3,054,020</u>

The Association reduces its exposure to the credit risk of cash by maintaining balances with a Canadian financial institution.

The Association manages its exposure to the credit risk of investments through its investment policy which restricts the types of eligible investments.

**Liquidity risk**

Liquidity risk is the risk that the Association will not be able to meet a demand for cash or fund its obligations as they come due.

The liquidity of the Association is monitored by management to ensure sufficient cash is available to meet liabilities as they become due.

**Market risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of currency risk, interest rate risk and other price risk.

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**Notes to Financial Statements (continued)**

March 31, 2022

**2. Financial instrument risk management (continued)**

**Currency risk**

Currency risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate due to changes in foreign exchange rates.

The Association is not exposed to currency risk.

**Interest rate risk**

Interest rate risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate due to changes in market interest rates.

The Association manages the interest rate exposure of its investments by using a ladder portfolio with varying terms to maturity. The ladder structure of maturities helps to enhance the average portfolio yield while reducing the sensitivity of the portfolio to the impact of interest rate fluctuations.

**Other price risk**

Other price risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate because of changes in market prices (other than those arising from currency risk or interest rate risk), whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all similar instruments traded in the market.

The Association is not exposed to other price risk.

**Changes in risk**

There have been no significant changes in the risk profile of the financial instruments of the Association from that of the prior year.

**3. Cash**

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Cash	83,207	98,796
Premium investment account - nil% (2021 - 0.25%)	4,512	693,687
	<b>87,719</b>	<b>792,483</b>

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**Notes to Financial Statements (continued)**

March 31, 2022

**4. Investments**

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Canadian provincial fixed income	661,698	1,058,926
Canadian corporate fixed income	2,126,462	1,197,729
	<u>2,788,160</u>	<u>2,256,655</u>
Less: current portion	(519,202)	-
	<u>2,268,958</u>	<u>2,256,655</u>

Interest rates on fixed income investments range from 1.13% to 4.38% (2021 - 1.13% to 4.38%) and maturities range from May 2022 to November 2027 (2021 - June 2021 to July 2025).

**5. Capital assets**

	<b>Cost</b>	<b>Accumulated Amortization</b>	<b>2022 Net</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Computer equipment	202,558	176,806	25,752
Furniture and fixtures	91,437	76,621	14,816
Leasehold improvements	416,393	344,889	71,504
	<u>710,388</u>	<u>598,316</u>	<u>112,072</u>
	<u>710,388</u>	<u>598,316</u>	<u>112,072</u>
	<b>Cost</b>	<b>Accumulated Amortization</b>	<b>2021 Net</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Computer equipment	195,056	163,697	31,359
Furniture and fixtures	91,437	74,341	17,096
Leasehold improvements	416,393	331,689	84,704
	<u>702,886</u>	<u>569,727</u>	<u>133,159</u>

**6. Accounts payable and accrued liabilities**

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Trade payables and accrued liabilities	184,656	236,914
Government remittances	1,480	2,409
	<u>186,136</u>	<u>239,323</u>



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**Notes to Financial Statements (continued)**

March 31, 2022

**7. Special Reserve for Lloyd Houlden Memorial Research Fellowship**

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Balance, beginning of year	38,818	38,818
Contributions (note 11)	16,461	-
Balance, end of year	<u>55,279</u>	<u>38,818</u>

Pursuant to a General Conveyance agreement between the Canadian Insolvency Foundation ("CIF") and the Association effective November 12, 2014, the Association received funds on the dissolution of CIF for the exclusive purpose of supporting the Lloyd Houlden Memorial Research Fellowship and related activities of the beneficiary.

No grants were awarded in fiscal 2022 or fiscal 2021.

**8. Deferred lease incentives**

	<b>Cost</b>	<b>Accumulated Amortization</b>	<b>2022 Net</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Tenant inducements	103,348	39,974	63,374

	<b>Cost</b>	<b>Accumulated Amortization</b>	<b>2021 Net</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Tenant inducements	103,348	28,274	75,074

Pursuant to the lease agreement for the Association's office premises, lease incentives totaling \$103,348, comprised of tenant inducements to purchase capital assets, were received.

Amortization of lease incentives in the amount of \$11,700 (2020 - \$11,699) was credited to rent expense in the current year.

**9. Net assets internally restricted for strategic education program investments**

The Board of Directors of the Association has internally restricted net assets to provide for strategic education program investments in the form of education program enhancements and content development.

During the current year, the Board of Directors approved the utilization of \$69,619 from net assets internally restricted for strategic education program investments for the purposes of CQP development.

The internal restriction is subject to the direction of the Board of Directors upon the recommendation of the Finance Committee.

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## Notes to Financial Statements (continued)

March 31, 2022

### 10. Investment income

	2022 \$	2021 \$
Interest from cash	1,900	3,183
Interest from investments	56,270	68,375
	<u>58,170</u>	<u>71,558</u>

### 11. Related party transactions

The Association has as a related party, ARIL Society Inc. (the "Society"), by virtue of significant inter-organization transactions and an interchange of managerial personnel with the Society, all of which enable the Association to exercise significant influence over the financial and operating decisions of the Society. The Association has no economic interest in the Society.

The Society was incorporated under the Canada Not-for-profit Corporations Act on January 30, 2019. The Society administers the Annual Review of Insolvency Law conference.

The Society is a not-for-profit organization, as described in Section 149(1)(l) of the Income Tax Act, and therefore is not subject to income taxes.

The Association entered into an agreement with the Society to provide management, administrative and support services to the Society. The agreement expires March 31, 2024, and includes the following commitments payable by the Society to the Association:

- A management fee of \$170,000 in 2023 and \$175,000 in 2024
- A financial services fee equivalent to 3% of the Society's revenue, collected by the Association, in each of 2023 and 2024
- A research contribution of 15% of the Society's operating surplus which exceeds \$50,000 in each of 2023 and 2024.

Revenues (expenses) and balances with the Society are as follows:

	2022 \$	2021 \$
Management fees	165,000	165,000
Financial services fees (included in office, printing, postage, courier and sundry expense)	5,505	-
Sponsorship (included in communication expense)	(25,000)	(25,000)
Conference registration (included in office, printing, postage, courier and sundry expense)	(1,500)	(1,500)

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**Notes to Financial Statements (continued)**

March 31, 2022

**11. Related party transactions (continued)**

Contributions receivable from the Society to the Lloyd Houlden Memorial Research Fellowship in the amount of \$16,461 (2021 - nil), are recognized as deferred contributions (note 7).

As at March 31, 2022, there is a balance due from the Society in the amount of \$16,461 (2021 - \$4,882). The balance is unsecured, non-interest bearing and due on demand.

**12. Commitment**

The Association is committed to lease its office premises until August 2027. The future annual lease payments, including an estimate of premises common area expenses, are as follows:

	\$
2023	164,926
2024	166,464
2025	166,464
2026	166,464
2027	166,464
2028	69,360
	<u>900,142</u>

**13. Impact of COVID-19**

The global pandemic of the virus known as COVID-19 has led the Canadian Federal government, as well as provincial and local governments, to impose measures, such as restricting foreign travel, mandating self-isolations and physical distancing and closing non-essential businesses. Because of the high level of uncertainty related to the outcome of this pandemic, it is difficult to estimate the future financial effect, if any, on the Association.

The fiscal 2022 in-person National Exchange and in-person continuing education seminars were cancelled as a result of the pandemic. The Association continues to offer continuing education content in an online format only.



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