

CAIRP | Rebuilding
Success

2022-2023

**Canadian Association of
Insolvency and Restructuring
Professionals**

**Transforming
for the future**



CAIRP
Annual Report

2022-2023



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

We create trust by living by our values:

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

Our 2022-2023 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/ONTARIO REPRESENTATIVE
André Bolduc CPA, CA, CIRP, LIT
 Ottawa, ON



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



SECRETARY
Lawrence (Larry) Crandall
 LL.B, CIRP, LIT
 Saint John, NB



EXECUTIVE-AT-LARGE
Catherine Hristow
 CPA, CMA, CFE, CIRP, LIT
 Toronto, ON



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
Todd Ambachtsheer CPA, CA, CIRP, LIT
 Toronto, ON



QUEBEC
Samuel M. Gignac BBA, CPA, CIRP, LIT
 Trois-Rivières, 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, CA, CIRP, LIT
 Edmonton, AB



OUTSIDE DIRECTOR
Jennifer Stam B.A., LL.B.
 Toronto, ON



OUTSIDE DIRECTOR
Mary Buttery LL.B, Q.C.
 Vancouver, BC

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

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 2022/23 Annual Report. It is hard to believe that it has been more than 36 months since COVID-19 hit, and closing on 4 years since I joined the executive committee. I am pleased to report that CAIRP’s Board and staff continued to rise to the challenges and perform admirably to advance the profession.

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 regularly to identify and mitigate financial and operating risks for CAIRP, and to discuss and get resolution for members on a broad range of issues.

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 started its transition to a post pandemic environment. I will also provide some highlights from the recent CAIRP Strategic Review and the CAIRP 2024-2028 Strategic Plan which was approved by the Board of Directors in June 2023. For more details on CAIRP’s performance, I would encourage you to review the committee reports and audited financial report in this Annual Report.

FINANCE & OPERATIONS

Given the significant decline in education enrolment in the last half of fiscal year 2021-22, the CAIRP Board had approved a planned operating deficit of \$48,000 for fiscal 2022-23. I am pleased to report CAIRP ended the year with a better than planned small deficit from regular operations of \$7,096 as a result of administrative cost reductions to contain the impact. During the year, significant progress was made towards the renewal of the CIRP Qualification Program, with an investment made of \$234,596. An investment of \$39,624 was also made in the year to initiate a strategic review. The Association’s financial position remains strong, with over \$2.5 million in net assets. This was the 8th consecutive year with no member dues increase. Our thanks to the steady leadership of CAIRP’s Treasurer Bridget van Wyk, the Finance Committee and CAIRP’s COO for providing updated financial forecasts including identifying the best, worst and most likely case outcomes. This process, which was introduced at the beginning of the pandemic, continues 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. The new Insolvency Administrator Associate (IAA) category launched in April 2022 with 58 inaugural IAAs joining CAIRP. 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.

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.

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, launched in June 2022, 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. CAIRP also worked with Member Firms to create and launch a public CAIRP Member Firm Directory to help provide greater visibility. Our thanks to all involved.

In our efforts to improve communications among our members and find solutions to practice issues, in addition to the bi-monthly meetings of the Executive and Board, quarterly meetings were held with Provincial Presidents with good results. CAIRP also engaged an independent researcher, Anne Kilpatrick, from On Strategy Research to undertake a comprehensive consultation of stakeholders and members for the CAIRP Strategic Review. The member feedback was invaluable in guiding the Strategic Review process and plan.

MEMBER PROFESSIONAL DEVELOPMENT

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 20 original live and on-demand webinars in English and French with over 3,000 views. From a performance measures perspective, the webinar series was very popular with members with over 79% of CAIRP members attending one or more of the sessions. During the year, 91% of members who answered a survey rated the sessions as having met or exceeded their expectations and 95% advised they would recommend a CAIRP professional development event to a colleague.

Members across the country advised CAIRP that they would like to return to in-person events and a decision was taken by the Board to bring back the CAIRP Forums this year with a view that the Annual Conference might return in the next 24 – 48 months. We will assess how well the Forums are attended this year and consider next steps to ensure CAIRP's membership continues to receive and have access to top quality, leading edge professional development.

In addition to the 2022-23 National Webinar Series, CAIRP also successfully re-introduced an in-person Annual Review of Insolvency Law ("ARIL") conference format for the ARIL Society Inc., which attracted more than 600 attendees. The ARIL Podcast Program also returned with an expanded number of podcasts for attendees.

Our congratulations and thanks for a job well done to the PD Committees.

CANDIDATE/STUDENT EDUCATION

On the education front, CAIRP continued with the virtual delivery of all education programs including the tutorial, all examinations and the Competency-based National Insolvency Exam ("CNIE") assessment and appeal centres with good results in all of the programs.

I am pleased to report that the 2022-23 pass rate for the CNIE was 67%, the highest pass rate in recent years. CAIRP is encouraged by this result as we have been and continue to be focussed on providing tools

to help candidates succeed, while maintaining the quality of the qualification process. The in-person CNIE Preparation Tutorial returned in June 2023 with 30 candidates participating. I had the great pleasure of participating in the session.

The CQP renewal is proceeding well. The Introduction to Insolvency course was launched in April 2023 and the Insolvency Principles, Processes and Practice (IP3) Course will launch in early fall 2023.

ADVOCACY

Significant time and focus were given to proactive advocacy efforts throughout the year. This included the participation in four OSB consultations including the consultation on Forms 31, 65, 78 and 79 and CAIRP's participation in two OSB Working Groups regarding the Trustee Annual Report and Surplus Income.

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; the lack of access to the insolvency system for Micro-Small and Medium Sized Enterprises ("MSMEs"); 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. At our January 2023 meeting ISED invited over 40 government officials from ISED, Finance Canada, Bank of Canada, OSFI, CDIC, OSB, CRA and Statistics Canada to hear a briefing by CAIRP members on the impact of the current issues on the economy which was well received. 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.

Our thanks to the Consumer Practice Committee and Corporate Practice Committees for their efforts in crafting and reviewing CAIRP's responses to a record

ten consultations and requests for submissions this past year. 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.

CAIRP's President & CEO, Anne Wettlaufer, was recently appointed to the Financial Consumer Agency of Canada's (FCAC) Consumer Protection Advisory Committee. Her seat at the table will be very helpful with our industry's efforts to raise its profile and with the Debt Advisory Marketplace issues.

CAIRP also had another active year with interventions. In Quebec, CAIRP's intervention in the Pierre Nolet vs. Attorney General of Canada case has wrapped up. Following consultations with the Intervention Committee CAIRP moved forward with the Poonian et al v. British Columbia Securities Commission intervention. The motion for leave to intervene and related materials was submitted to the Supreme Court of Canada in early July 2023 and the judgment authorizing CAIRP to intervene was rendered on August 29, 2023.

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 600 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. CAIRP has taken great care 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 continues to work with the OSB on the representativeness data project which launched in 2020.

CAIRP worked closely with the OSB in developing and issuing a joint OSB-CAIRP Consumer Alert about the Debt Advisory Marketplace in November 2022 during Financial Literacy Month. The alert urged Canadians to beware of unregulated, unlicensed debt advisors and encouraged Canadians to meet with Licensed Insolvency Trustees. CAIRP also worked with the OSB to update the OSB's Consumer Debt Solutions Portal which launched in early 2023.

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

CAIRP'S STRATEGIC REVIEW

At last year's Annual General Meeting, we advised members that the CAIRP Board had approved proceeding with a comprehensive strategic review as part of CAIRP's regular strategic review cycle. A Strategic Plan Review Committee was put in place in October and they wrapped up their work in June 2023 with the recent approval by CAIRP's Board of Directors of CAIRP's 2024-2028 Strategic Plan. We want to thank all the members who participated in the consultation process, including the member survey, for your insights and feedback.

Members advised CAIRP that the past five years have presented the insolvency marketplace with a wave of fundamental changes and stressors. These issues are placing pressures on LIT resources, debtor service quality, LIT firm revenues and the integrity of the insolvency system, according to CAIRP's stakeholders. Five priority issues were identified by

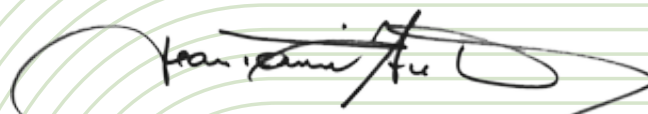
members during the consultation process including raising the profile of CAIRP members and the industry (45%)¹, advocating with the OSB and governments to address the lack of regulation of Credit Counsellors and Debt Consultants (42%), advocating for increasing LIT tariffs (40%), developing valued CE opportunities (38%) and pursuing interventions on matters of national importance (31%). The Strategic Planning/ Review Committee has developed an ambitious plan to address the issues and member concerns. Andre Bolduc, Chair of the Strategic Plan/Review Committee will provide members with an overview of the CAIRP 2024-2028 plan at CAIRP's September 14th Annual General Meeting. A summary outline presenting the essential elements of the plan will be provided to members. Our thanks to the members of the Strategic Plan/Review Committee for their excellent work over the past year.

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. 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.

It has been an honour serving as your Chair over the past two years. I am proud of what we accomplished together. There is more to be done and with the new Strategic Plan in place, CAIRP is well positioned to support and serve its members to fully take advantage of the opportunities that lie ahead.



Jean-Daniel Breton, CPA, FCIRP, LIT
Chair

¹ The quoted percentage for each priority represents the percentage of respondents who included this priority as one of their five top priorities.

Chartered Insolvency and Restructuring Professionals (CIRP) Recipients 2022-23

The CIRP certification mark is the recognizable symbol of integrity, education and professionalism of the insolvency and restructuring profession in Canada. In 2022-2023, 29 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 2022-2023 recipients on their journey.



Adam Cardwell, B.Sc., CIRP
Manager
BDO Canada Limited
St. John's, NL



Alexandre Fortin, CPA, CIRP
Administrator
Jean Fortin & Associés
Syndics Inc.
Longueuil, QC



Alexandre Gauron, B.Sc., CIRP
Consultant, Recovery &
Restructuring
MNP Ltd.
Montreal, QC



Christine Sinclair, CPA, CA, CIRP
Director
PwC
Toronto, ON



Dana Gaspar, CIRP
Manager
PwC
Calgary, AB



Drew MacCormack, CPA, CIRP
Director
Ernst & Young Inc.
Halifax, NS



Elizabeth Miles, MPAcc, CPA, CIRP
Manager, Corporate
Advisory & Restructuring
PwC
Calgary, AB



Graham McIntyre, CPA, CIRP
Director, Corporate Finance &
Restructuring
FTI Consulting
Toronto, ON



Heather Tilley, CIRP
Senior Insolvency Administrator
Barry Nykyforuk & Associates Inc.
Calgary, AB



Jacqueline Shelton, CPA, CIRP
Manager, Deal Advisory -
Restructuring & Turnaround
KPMG LLP
Calgary, AB



James Sacoransky, CPA, CIRP
Senior Manager, Corporate
Restructuring
B. Riley Farber
Toronto, ON



Jérémie Plourde Perreault,
CPA, CIRP
Senior Manager, Restructuring
Raymond Chabot Grant Thornton
Montreal, QC



Joshua Lowney, LL.B., CIRP
Estate Manager
Allan Marshall & Associates Inc.
Saint John, NB



Kaitlin Verge, B.A., B. Ed., CIRP
Manager, Debt Solutions
Grant Thornton LLP
Halifax, NS



Kristina Wallace, B.A., CIRP
Insolvency Administrator
BDO Canada Limited
Ottawa, ON



Magali Dumouchel, CPA, CIRP
Senior Manager
Richter Inc.
Montreal, QC



Mathieu Loiselle, H.B.Com., CIRP
Manager
Raymond Chabot
Ottawa, ON



Melanie Goulet, CIRP
Senior Insolvency Administrator
Barry Nykyforuk & Associates Inc.
Calgary, AB



Miranda Mavhunga, BBA, CPA, CIRP
Manager, Business Restructuring
& Turnaround Services
BDO Canada Limited
Halifax, NS



Nicole Carreau, CPA, CIRP
Senior Associate
PwC
Edmonton, AB



Olivia Harper, CIRP
Estate Manager
Allan Marshall & Associates Inc.
Fredericton, NB



Paige Berkholtz, CIRP
Insolvency Administrator
Barry Nykyforuk & Associates Inc.
Edmonton, AB



Paul Jackson, B.A., CIRP
Estate Administrator
Doug Lee & Associates Inc.
Victoria, BC



Ryan Gruneir, CPA, CA, CIRP
Director
Alvarez & Marsal Canada
Toronto, ON



Sarah-Maude Daviau, B.A.A., CIRP
Assistant Director
Raymond Chabot
Granby, QC



Shawna Cunningham, CIRP
Senior Manager
A. Fisher and Associates Inc.
Toronto, ON



Sudhanshu Marwaha, CA, ACCA,
CPA, CGA, CIRP
Manager
Zeifman Partners Inc.
Toronto, ON



Taylor Poirier, CPA, CIRP
Senior Associate
Alvarez & Marsal Canada
Vancouver, BC



Vincent Roy-Turgeon, CPA, CIRP
Senior Manager
Deloitte LLP
Montreal, QC

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 2022-2023.

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 - **Simone Carvalho** and **Vanessa Allen**.

“

It is humbling to receive this award as there are so many exceptional LITs who dedicate time to CAIRP. Education is important to me, especially in our profession which requires us to keep up to date with changes in legislation, case law and best practices. I have worked with many LITs over the years, including LITs who continue to volunteer even after retirement. Thank you for this honour.”



Simone Carvalho, CPA (US, Colorado) CA (India), CIRP, LIT

“

I feel privileged to be part of CAIRP and, as it includes so many amazing professionals, who dedicate so much time to volunteerism, it is a real honour to receive this award. This profession provides interesting and challenging work and a real opportunity to assist others. It's very important to me to give back to the profession and ensure it continues to thrive and provide support for new members.”

Vanessa Allen, 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 **Adam Boettger**.

“

It is an honour to receive the New Member's Award of Merit. I'm glad to see I am making a meaningful contribution to CAIRP and the profession. This award shows that the contributions of new members are encouraged and valued. Being involved in CAIRP is an opportunity to support the reputation of our professional and ensure its members maintain the high-level of trust afforded by the public and stakeholders. Volunteering has always been important to me and working with CAIRP is a great way of supporting the insolvency and restructuring community.”



Adam Boettger, CPA, CA, 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 **Jean-Daniel Breton**.

“

The Keith G. Collins Memorial Award is a great honour. I have not had the privilege of meeting Keith Collins, but I have heard of his exceptional character and legacy in the insolvency field. So to have my peers chose me for this award is truly heartwarming. Volunteerism with CAIRP is what allows candidates to become colleagues and peers, allows colleagues and peers to become friends, allows the legislation and rules that frame our profession to evolve and adapt to keep us relevant, and allows us all to be better at what we do.”

Jean-Daniel Breton, CPA, 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, **André Bolduc** is being recognized for his contributions.

“

I am extremely humbled to receive the Fellows Award. It is an honour to be recognized by my peers and included in a group of distinguished professionals who have made significant contributions to CAIRP and the Insolvency and Restructuring Industry. My volunteerism with CAIRP has allowed me many new experiences and the opportunity to work with committed professionals from across the country as we move the industry forward to meet the challenges ahead.”

André Bolduc, CPA, CA, FCIRP, LIT



HONOURARY CIRP

This award is presented to non-members of the Association who have made a substantial contribution to the Association and to the field of Canadian Insolvency Practice. They are elected to honorary membership in the Association and are entitled to use the designation “Chartered Insolvency and Restructuring Professional (Honorary) or its acronym “CIRP (Hon.)” This year’s recipient is **Gail Fayerman**.

“

I was invited to join the CAIRP committee many years ago because at the time they were looking to create a new educational program. The CAIRP goals seemed to mirror the work in which I had been so deeply involved, specifically developing learning objectives for the program and aligning the course material with the examination. I feel that the education program has significantly improved since then, and now has a process to ensure that it continuously improves for future CIRP students. This award indicates to me that CAIRP appreciates my contribution. I am very aware that this work has been dependent on the efforts of many people in your organization and I was just a part of this extremely dedicated group. I was happy to provide a different perspective. I have learned a lot from the people that I worked with at CAIRP, and I am proud to have been part of it.”

Gail Fayerman, MBA, CPA, CIRP (Hon.)



Membership

2022-23 Membership Chart

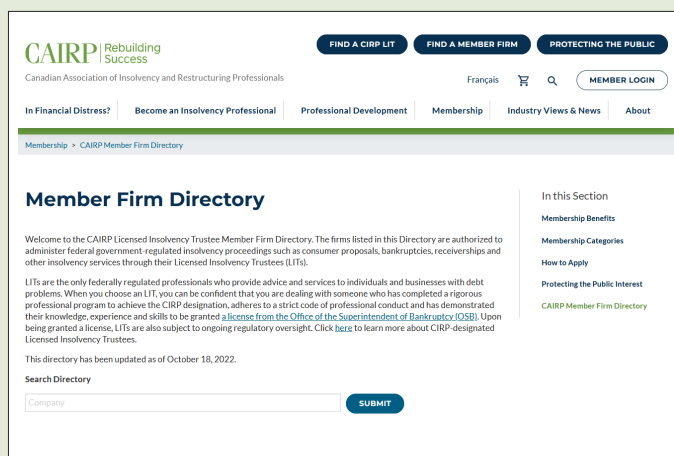
	General	Articling Associates	Corporate	Life	Inactive	Insolvency Administrator Associates
2022-2023	913	265	16	110	8	58
2021-2022	934	318	18	118	3	–
2020-2021	937	367	19	122	2	–
2019-2020	955	348	21	137	5	–
2018-2019	951	298	21	204	6	–
2017-2018	984	347	20	190	12	–

Launch of Insolvency Administrator Associate Category

CAIRP introduced a new associate category called “Insolvency Administrator Associate” in April 2022. To be eligible for this category, an individual needs to have successfully completed CAIRP’s Insolvency Administration course and be employed by a member. IA Associates are entitled to several benefits including three hours of targeted professional development offered in both English and French, discounted rates for the National Webinar Series and Forums, professional recognition as an Insolvency Administrator Associate of CAIRP, listing in CAIRP’s membership directory and access to CAIRP’s publications and the OSB-CAIRP virtual webinar. Since the launch of this new category, 58 IA Associates have signed up with CAIRP.

Creation of CAIRP Member Firm Directory

CAIRP worked with member firms to create and launch a public Member Firm Directory on CAIRP’s website, which includes 174 member firms. This initiative provides added visibility and value to our members and importantly, highlights our member firms as trusted federally regulated firms to the public. The Member Firm Directory includes each member firm’s corporate logo, name, website address and services provided such as Consumer, Corporate and MSME. The public has the ability to search for firms alphabetically and to filter firms by province and type of services provided.



Advocacy & OSB Relations

Advocacy

Significant time and effort were given to advocacy efforts throughout the year. The Consumer Practice and Corporate Practice Committees, CAIRP's Board of Directors and CAIRP Working Group volunteers along with other volunteers are to be commended for their efforts in crafting and reviewing CAIRP's responses to a record ten consultations this year.

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 2022 and the CAIRP AGM in September with close to 600 members attending.

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 following are additional OSB-CAIRP Joint initiatives that occurred in 2022-23:

- 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
- Developed and issued a joint OSB-CAIRP Consumer Alert during Financial Literacy Month. The alert urged Canadians to beware of unregulated, unlicensed debt advisors and encouraged Canadians to meet with Licensed Insolvency Trustees – November 2022
- Worked closely with the OSB to update the OSB's Consumer Debt Solutions Portal – February 2023
- Expanded the OSB-Quarterly meeting on the Debt Advisory Marketplace with OSB's Integrity and Enforcement Deputy Superintendent Manek to include other senior leadership within the OSB - Fall 2022
- Organized a virtual “Meet and Greet” with a cross section of CAIRP members to introduce Miranda Killam, OSB's new Deputy Superintendent, responsible for Regulatory Policy & Public Affairs – July 2023
- Arranged a briefing for OSB senior management and ISED policy staff on member feedback from CAIRP's Strategic Review – July 2023

OSB Consultations

The OSB requested CAIRP's input in four consultations including two working groups as part of the OSB's ongoing work on their *Comprehensive Review of Directives and Regulations Under the BIA and CCAA*. These included the following and involved the efforts of the Consumer and Corporate Practice Committees and Working Group volunteers:

- OSB Working Group on the OSB's Trustee Annual Report – December 2021 – August 2022
- OSB Working Group on Surplus Income – June 2022 – present
- OSB's request for comments on the *Regulatory Modernization of the BIA under Bill S-6* – August 2022
- OSB Consultation on *Proposed changes to Form 31, Proof of Claim, Form 65, Monthly Income and Expense Statement of the Bankrupt/Debtor, Form 78, Statement of Affairs (Business Bankruptcy/Proposal) and Form 79, Statement of Affairs (Non-Business Bankruptcy/Proposal)* - October 2022

ISED/CRA/Finance Canada Relations

Over the last year CAIRP continued its efforts to build relations with ISED, CRA and Finance Canada as well as to respond to consultations on a broad range of issues. CAIRP also appeared before the Standing Senate Committee on Banking, Commerce and the Economy re Bill C-228 (pension plan super priority) in February 2023. The following are relationship building/advocacy meetings over the past year:

- Regular meetings with the CRA/OSB to discuss matters and resolve issues, including COVID related issues
- Regular ISED/CAIRP Roundtables to discuss the lack of access to the insolvency system for MSMEs and CAIRP's proposal; 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 proceedings and accessibility to LIT services for Canadians with disabilities – May 2022, October 2022
- Briefing by CAIRP members on the impact of the COVID-19 pandemic on the economy at a session for government officials organized by ISED. Over 40 government officials attended from ISED, CRA, Bank of Canada, Finance Canada, OSFI, CDIC, OSB and Statistics Canada – January 2023
- CRA Portal Project – CAIRP provided working group members for an initiative which would allow CAIRP members to EFile documents with the CRA, and allow for two-way communications and better integration with systems – December 2021 – present

Other Government Consultations

CAIRP participated in six consultations with ISED, Finance Canada/Treasury Board and the House and Senate Committees reviewing Bill C-228. CAIRP provided the following submissions in 2022-23:

- Submission to Finance Canada's Consultation on Fighting Predatory Lending – October 2022
- Submission to Finance Canada's Pre-Budget Consultations in advance of the 2023 Federal Budget – October 2022
- Submission to the House Standing Committee on Finance re Bill C-228 (pension plan super-priority) – October 2022
- Submission to the Standing Senate Committee on Banking, Commerce and the Economy re Bill C-228 (pension plan super-priority) - December 2022 and appearance before the Committee – February 2023
- Submission on ISED's Consultation on Post-Secondary Educational Institutions & Insolvency – June 2023
- Submission to the Treasury Board of Canada's Secretariat Consultation on the Annual Regulatory Modernization Bill – June 2023



CAIRP appearance at the Standing Senate Committee on Banking, Commerce and the Economy re: Bill C-228 February 2023

Interventions

It was another active year with interventions. In Quebec, CAIRP's intervention in the Pierre Nolet vs. Attorney General of Canada case has wrapped up. We reported on this case last year, and you will recall that it pertained in substance to income taxes in the context of proposals and their treatment as contemplated by CAIRP's standard of professional practice no 11. The case had moved to a pre-hearing conference before Justice de Blois on December 12, 2021, where an agreement was reached to split the file. The hearing on the merits of this issue was to have taken place in the Quebec City Courthouse on October 3 and 4, 2022. After reviewing the argument plans of the CRA, the Superintendent of Bankruptcy and CAIRP, the applicant informed CAIRP's lawyer that the applicant became convinced our position was well founded and as a result the applicant wished to withdraw the application. The CRA, OSB and CAIRP agreed that this should be done. Norton Rose Fulbright and specifically Christian Roy represented CAIRP on this file.

Following consultations with the Intervention Committee CAIRP moved forward with the Poonian et al v. British Columbia Securities Commission intervention. The case involves whether certain claims made by a securities commission can be considered as a non-dischargeable debt, pursuant to sections 178(1)(a) and 178(1)(e) of the BIA. The motion for leave to intervene and related materials was submitted to the Supreme Court of Canada in early July 2023 and leave was granted on August 29, 2023. Gowling WLC (Canada) LLP and specifically Haddon Murray and Heather Fisher are representing CAIRP on this file.

Several other cases were considered and discussed by the Intervention Committee, but did not result in an intervention, either because the proceeding did not materialize, or the committee felt that intervention was not warranted at this time.

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. Members are invited to reach out to CAIRP when become aware of a case where insolvency principles are at play and where an intervention might be warranted.

Professional Conduct

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 cases. During the period from April 1, 2022 to March 31, 2023, the committee received four new complaints and closed six cases. As of March 31, 2023, there were five active cases which are ongoing. For each of the six cases which were closed, the PCC found no misconduct by the members against whom these complaints were filed, however, some of the complaints filed related to advertising which were deemed to be misleading and which were immediately remedied by the members who were the subject of these complaints.

The nature of complaints and the extent of review and depth of analysis required represents a significant commitment by PCC members.

Education

CAIRP's education programs provide insolvency practitioners with relevant and high-quality education to help individuals and businesses solve their debt issues. 2022 was a very active period, in which we focused on enhancing the development, delivery and infrastructure of our programs. The CAIRP Education Programs could not run successfully without our amazing volunteers. We are so grateful for their continued support of future insolvency professionals.

CQP Renewal

In 2022, CAIRP made significant progress in updating the CIRP Qualification Program (CQP). The objective of the CQP renewal is to improve the candidate experience, enhance flowthrough and ensure higher performance and pass rates. The renewed CQP follows a "Competency-Based Learning Approach," which helps candidates develop both technical and applied competencies in an integrated manner throughout the program, with emphasis on real-world corporate and consumer cases and illustrations.

The renewed "Introduction to Insolvency" course launched in April 2023 and the other two courses "Insolvency Principles, Processes and Practice (IP3)" and "Applications in Insolvency and & CNIE Prep Course" are expected to launch in 2023-24. Transition plans have also been developed to enable active CQP candidates and sponsors to successfully transition to the new program.

Education Materials

New materials were created to support our education programs. This includes the CAIRP Education Policies document, which outlines the national guidelines for the implementation of policies for admission, administration, courses and exams for CAIRP's programs – CIRP Qualification Program (CQP), Practical Course on Insolvency Counselling (PCIC) and Insolvency Administrator's Course (IA).

In addition, a glossary of competency verbs for the Competency-based National Insolvency Examination (CNIE) was developed to provide candidates with definitions of the verbs used in the CNIE and what they are required to demonstrate on the exam.

Infrastructure Improvements

As part of ongoing data and security improvement in the CQP, significant progress was made on developing reports in the Association database, which has allowed the education staff to create reports to assist in identifying flowthrough and retention. This work will continue into 2023. In addition, updates were made to Administrative Policies and Procedure manuals for the IA and PCIC.

As part of continuous improvement, an in-depth evaluation of remote proctoring options was undertaken last year. CAIRP decided to remain with MonitorEDU for its enhanced systems and support. As a result of this investment, the CKE and the CNIE were conducted very smoothly this year with live proctoring.

Virtual Program Delivery

CAIRP continued to strengthen its online offerings with prerecorded technical webinars, training guides and other learning materials in D2L to support candidates through their learning journey. 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 CNIE marking center was conducted remotely, with 41 markers participating. Markers attended a virtual orientation session prior to the start of the formal center. A survey of markers was distributed after the marking center closed. The markers provided positive comments regarding their experience and helpful feedback for future marking centers.

"A big thank you to all the organizers, it is a big undertaking, the process runs well and there is lots of support"

2022 CAIRP Marker



Exam Pass Rates

CAIRP saw increased pass rates across all exams in 2022. Congratulations to all our successful writers!

CORE KNOWLEDGE

PASS RATE

73%

27 English and 6 French

The Core Knowledge exam was held on October 20 and 27, 2022. 33 candidates attempted the exam (27 English and 6 French). The overall pass rate was 73%, an increase from the previous year.

CNIE EXAMINATION

PASS RATE

67%

41 English and 8 French

The CNIE examination was held on November 16 and 17, 2022. 49 candidates wrote the exam (41 English and 8 French). The pass rate for the exam was 67%, the highest result seen in over a decade.

PCIC EXAM

PASS RATE

99%

55 English and 17 French

There were two PCIC exams held in Fiscal 2022. A total of 62 candidates wrote exams: June 30, 2022 - 14 English and 7 French and February 9, 2023 - 31 English and 10 French, with 61 successfully passing the exams for an overall pass rate of 99%.

IA EXAM

PASS RATE

85%

31 English and 2 French

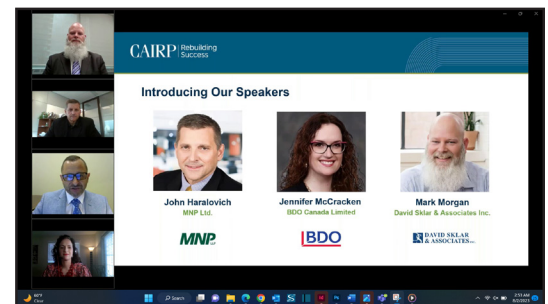
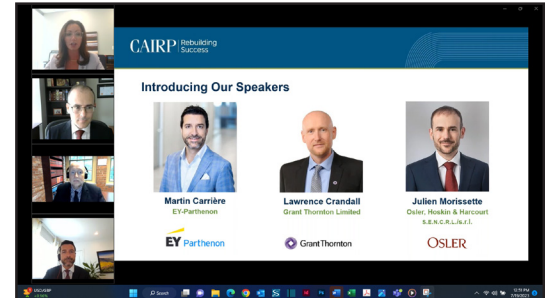
The IA exam is offered on demand and self-monitored through D2L once students have successfully completed all the course requirements. 33 students wrote the exams in 2022, of which 28 were successful. The pass rate for the IA exam was 85%.

The CQP Committee acknowledges the exceptional contribution made to the Committee's mandate by CAIRP staff Lynn Bailey (Director, Education Programs), Gina Letourneau (Senior Advisor, Education), Isabelle Gauthier (Registrar and Manager CQP) and Benjamin Lecointre (Education Programs 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).

Professional Development

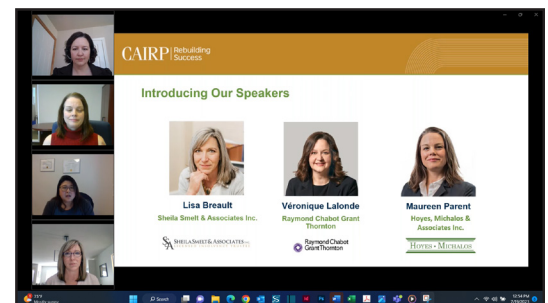
National Webinar Series

CAIRP successfully hosted the National Webinar Series for a third year in a row. The series opened on July 14, 2022 with a live Economic Update that kicked off an exciting program of webinars featuring almost 30 hours of relevant and timely professional development content that garnered almost 3000 views. The new Double Feature webinars debuted with over 2.5 hours of back-to-back live panels discussing romance scams and ethical issues for insolvency professionals. Along with a real-time question and answer period, the session utilized live polling that proved to be fun and informative for attendees. The National Webinar Series was very well received by attendees, with 79% of CAIRP members having attended one or more CAIRP professional development webinars, 95% of attendees saying they would recommend a CAIRP webinar to a colleague and 91% of attendees rating the webinars as having met or exceeded their expectations.



Insolvency Administrator Associate Webinar Series

The highly anticipated Insolvency Administrator Associate Webinar Series began last year with 6 webinars (3 English and 3 French). A newly formed committee of dedicated professionals put together interesting sessions with topics ranging from tips and tricks to handle a busy office environment, to income monitoring and dealing with difficult stakeholders.



20th Annual Review of Insolvency Law (ARIL) Conference

On February 3, 2023 at the Calgary TELUS Convention Centre in Calgary, Alberta, the ARIL Conference made its return to an in-person conference format for the first time since 2020! Over 600 attendees participated in the conference which started the evening before with an opening reception followed by a full day of concurrently run panels. The ARIL Podcast Program was released after the event with 15 episodes of brand new content and the majority of the in-person panels. With the support of many sponsors, speakers and authors, the team was able to create a successful event featuring compelling and engaging sessions.

96 CAIRP members volunteered in one or more professional development programs throughout the year. We thank all the amazing volunteers who dedicate their time, without whom the professional development events would not be possible!



Communications

CAIRP's 2022-23 communications efforts were aimed at raising the profile of our members and industry; promoting CAIRP's programs, services and events; and keeping our members informed and engaged.

OSB-CAIRP Consumer Alert

CAIRP and the OSB issued their first joint communication to the public with the release of the OSB-CAIRP Consumer Alert in November 2022 during Financial Literacy Month. The alert urged Canadians to beware of unregulated, unlicensed debt advisors and encouraged Canadians to meet with LITs for trusted advice and solutions. CAIRP issued a follow-up media release and social media posts, which were amplified through members who helped to spread the message. CAIRP also worked closely with the OSB to update the OSB's Consumer Debt Solutions Portal, which was launched in February 2023.

"Canadians can feel confident that when they seek advice from a Licensed Insolvency Trustee, they are dealing with someone who has demonstrated they have the knowledge, experience and skills to help them make informed choices to deal with their debt."

Jean-Daniel Breton, Chair of CAIRP

"Anyone considering a consumer proposal or bankruptcy should meet with a Licensed Insolvency Trustee first. LITs are the only federally regulated professionals who can provide debt relief options such as bankruptcy and consumer proposals. LITs are bound by a Code of Ethics and required to explore all debt relief options to help debtors find the best solution for their needs."

Elisabeth Lang, Superintendent of Bankruptcy



Media and Social Media Engagement

CAIRP continued to build on our strong media foundation in 2022-23 successfully leveraging our spokespeople in fielding complex inquiries from top publications as it related to key industry and consumer-facing issues. As a result of these concerted efforts, we generated stories in major news outlets such as CTV News, The Globe and Mail, National Post, Toronto Star, Financial Post, CBC Radio, Canadian Mortgage Professional Magazine, Wealth Professional, Investment Executive, Advisor's Edge, La Presse, Le Devoir, TVA, Ming Pao and City News along with regional media to name a few.

6

MEDIA RELEASES
ISSUED
IN 2022-23

360+

MEDIA OUTLETS HAVE
CARRIED A CAIRP STORY

798

MEDIA
MENTIONS
IN 2022-23

CAIRP also posted multiple new blogs on a variety of financial literacy themes written by members of the Media Communications Committee and guest authors. These posts along with our other social media efforts resulted in increasing traffic on all our channels by 24% on average, with the largest increase of 46% occurring on Twitter.

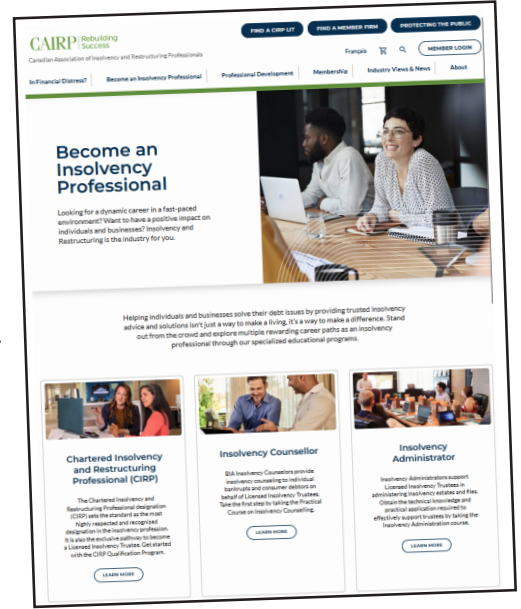
We successfully conducted our 3rd annual Facebook Live event during Financial Literacy Month, which focused on providing Canadians practical tips on managing their money in an ever-changing financial marketplace.



Promotional Campaigns

CAIRP conducted year-round promotional campaigns via email, the website, social media channels and Rebuilding Success magazine. Some of our key campaigns were aimed at attracting prospective candidates to join our educational courses (CIRP Qualification Program, Insolvency Administrator and Practical course on Insolvency Counseling); inviting Insolvency Administrators to join the new associate category; and highlighting our events including the AGM, OSB-CAIRP webinar and professional development events. For the first time, we also created banner ads on CAIRP’s website and in Rebuilding Success magazine to promote our programs and events. These campaigns resulted in increased program enrollments, new Insolvency Administrators Associates joining the Association and higher attendance at CAIRP’s events.

We also refreshed and enhanced the education (Become an Insolvency Professional) section of our website to emphasize CAIRP’s three education programs and launch the renewed Introduction to Insolvency course. To help guide active candidates and sponsors through the changes in the CQP, we updated the Members Area of the website to include details of the transition plan to the renewed CQP.



Rebuilding Success Magazine



CAIRP’s Rebuilding Success magazine, published twice a year, continued its fine work delivering relevant and timely insolvency and restructuring stories to our 7400 members and guests. Last year, we covered a wide range of topics such as the impact of the Russia-Ukraine war on the Canadian economy, the state of the economy and industry post pandemic, insolvency practice in Canada’s northern territories, novel procedures for resolving claims disputes in insolvency files and challenges debtors face in correcting credit report errors to name a few.

In addition, CAIRP made significant enhancements to the magazine to improve the online reading experience, deliver additional thought leadership content to readers between issues, allow for greater social media sharing of content and provide our advertisers with additional sponsorship opportunities. This included converting the magazine from print to online, redesigning the digital flipbook and adding a new section on the CAIRP website called Rebuilding Success Magazine Features, which features individual articles from the latest and previous editions of the magazine.

Newsletters and Bulletins

As one of CAIRP’s most popular digital benefits for members, the bimonthly newsletter and member bulletins continue to share important news and topics of interest.



CAIRP Committees

CAIRP is a volunteer driven association, and our members play a vital role in supporting our programs and initiatives. We extend our sincere thanks to all the member committees listed below for the incredible work and valuable contributions they have made in 2022-23.

EDUCATION

The CQP Committee acknowledges the exceptional contribution made to the Committee's mandate by the subcommittee Chairs' Mark Wentzell (Exam Oversight Committee), Mike Braga (Core Knowledge Exam Board) and Naida Kornuta and Lee Close (CNIE Exam Board).

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 (US, Colorado) CA (India), CIRP, LIT - ON
- Andrew Dalglish, CIRP, LIT - QC
- Gail Fayerman, CPA, CA, MBA - QC
- Michael Krieger, CIRP, LIT - ON
- OSB Representatives:
- Paul Berry - NS
- Leanna Knox-Kinsman - ON

CNIE BOARD

Co-Chair: Lee Close, CPA, CA, CIRP, LIT - ON

Co-Chair: Naida Kornuta, CIRP, LIT - SK

Members:

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

"I am proud to have worked alongside our strong and committed CQP committee members and the CAIRP team, who are constantly striving to improve the candidate experience. Thanks to their hard work, I believe the CQP renewal will result in the strongest education program yet. By continuing to implement new ideas to improve the program, we will continue to produce strong CIRPs and ensure the growth of the 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 (US, Colorado) CA (India), CIRP, LIT - ON
- Deane Gurney, CIRP, LIT - BC
- Kristin Gray, CPA, CA, CIRP, LIT - AB
- Julie Wildman, CPA, CA, CIRP, LIT - ON

CORE KNOWLEDGE EXAM BOARD

Chair: Michael Braga, CIRP, LIT - ON

Members:

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

PROFESSIONAL DEVELOPMENT

Insolvency & Restructuring Forums Committee

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

Insolvency Administrator Associate Professional Development Committee

- Samantha Galea, CIRP, LIT - ON
- Fanny Gelinis-Paquin, CIRP, LIT - QC
- Kristi Neilsen, CIRP, LIT - NB
- Marianne Ting, CIRP, LIT - BC
- Barbara Visentin, CIRP, LIT – ON

Insolvency and Restructuring Exchange Committee

Co-Chair:

Stefano Damiani, CPA, CA, CIRP, LIT- ON

Co-Chair:

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 - ON
- Alexandra Morataya, CIRP LIT – ON
- Francisco Remolino, CIRP, LIT - ON
- Allen Yao, CFA, CPA, CA, CIRP, LIT - ON

“As this is our third National Webinar Series, the committee was able to build on formats and topics that worked well in an online setting and created great content for our members. We look forward to getting back into the in-person conference mode for this September. 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



“The 2022-23 CAIRP National Webinar Series delivered relevant and professional content to our members. We created interesting and innovative sessions with a diverse set of speakers from business, restructuring advisory, judicial, and legal 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



CONSUMER PRACTICE

Chair:

- Chantal Gingras, FCIRP, LIT – QC

Board Liaison:

- André Bolduc, CPA, CA, FCIRP, 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
- Virginie Comtois, CPA, CIRP, LIT – QC
- David Smith, CIRP, LIT – AB
- Gillian Goldblatt, CPA, CA, CIRP, LIT – ON

“The members of the Consumer Practice Committee are passionate about advancing the consumer insolvency profession. This year they once again demonstrated their commitment to the industry through their efforts, provision of expertise and countless hours spent on responses to the consultations this past year. I want to acknowledge and applaud their efforts in advancing the interests of CAIRP and its members. Their engagement is greatly appreciated.”



Chantal Gingras, FCIRP, LIT

CORPORATE PRACTICE

Chair:

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

Board Liaison:

- Todd Ambachtsheer, CPA, CA, CIRP, LIT – ON

Members:

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

“The Corporate Practice Committee members made important contributions over the past year to improve Canada’s corporate insolvency and restructuring system and represent the interests of our members. This was a particularly busy year for consultations and the CP Committee’s efforts were invaluable. 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 investment of time, particularly over the summer months.”



Jonathan Krieger, CPA, CA, CIRP, LIT

INTERVENTION

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

“It was another busy year for the Intervention Committee and I would like to thank the members for sharing their expertise. Their dedication and commitment to the insolvency and restructuring community is commendable.”



Jean-Daniel Breton, CPA, FCIRP, LIT

FINANCE

Chair:

- Bridget van Wyk, CPA, CA, CIRP, LIT - BC

Observer:

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

Members:

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

"The changes that all of us and the Association have had to make post COVID in the last two years will be long lasting. I'm proud to say that the CAIRP management, volunteers and many special committees have collaborated to weather the storm with less of a financial impact than originally anticipated. As we finalize the major findings of the strategic review and work on implementing the action items, we are confident that the Association will continue to support its members in a world where change is inevitable. Thank-you to the staff, Board and volunteers. It has been a pleasure to serve as the Association Treasurer."



Bridget van Wyk, CPA, CA, CIRP, LIT

PROFESSIONAL CONDUCT

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 (to September 2022)
- Pamela Meger, CIRP, LIT - SK
- Joe Healey, CPA, CA, CIRP, LIT - MB
- Kathy Lenart, CPA, CA, CIRP, LIT - ON
- Martine Lessard, CIRP, LIT - QC
- David Lewis, CPA, CA, CIRP, LIT - AB
- Mario Mainella, CPA, CA, CIRP, LIT - BC
- Steven McLaughlin, CBV, CPA, CA, CIRP, LIT - NB

"As we move along with technology, we all need to be aware of how we communicate and manage our practices. Today, emails and other messaging tools can be circulated beyond their original intent. Although all complaints may not reach this committee, parties can raise their concerns via other avenues. The PCC is one such forum where we can assist parties and address their concerns."



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

STRATEGIC PLAN REVIEW

Chair:

- André Bolduc, CPA, CA, FCIRP, LIT - ON

Members:

- Jean-Daniel Breton, CPA, FCIRP, LIT - QC
- Bridget van Wyk, CPA, CA, CIRP, LIT - BC
- Wes Cowan, CIRP, LIT - ON
- Julie Mortreux, CPA, CIRP, LIT - QC
- Nathan Sugeng, CIRP, LIT - ON
- Matt Golding, CPA, CMA, CIRP, LIT - NS
- Anne Kilpatrick, OnStrategy Research

"On behalf of the membership, I would like to thank the Strategic Plan Review Committee for their tremendous efforts. The Strategic review and the resulting plan are an important self-examination by the Association, articulating our goals and the direction for our renewal following the COVID-19 Pandemic. Your insights and passion for the industry were instrumental in ensuring CAIRP's ambitious 2024-2028 Strategic Plan effectively addressed issues facing the industry and member concerns."

André Bolduc, CPA, CA, FCIRP, LIT



MEDIA COMMUNICATIONS

Chair:

- Mary Ann Marriott, CIRP, LIT – NS

Members:

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

“It has been encouraging to see the collaboration of effort from representatives across the provinces to not only streamline the messaging offered to the public, but to increase the profile of LITs and CIRPs across all channels. The increase in engagement across all communications channels is a testament to the quality of messaging being offered and received.”

Mary Ann Marriott, CIRP, LIT



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

“The role of the Editorial Board is to determine which submissions for inclusion in Rebuilding Success are appropriate. In reality, the EAB identifies topics that are relevant to our readers and then solicits authors. The diversity of skills and experience on this board result in an extremely readable publication. Thank you to the EAB for their efforts and thank you to the staff at CAIRP for their support.”

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



HONOURS AND AWARDS

Nominating Committee Chair:

- Donna Collins, FCIRP (ret.) – MB

Board Liaison:

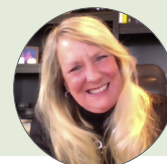
- Jean-Daniel Breton, CPA, FCIRP, LIT – QC

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 2023 award recipients.”

Donna L. Collins, FCIRP, (ret.)



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

Anne Wettlaufer, FICB

ADMINISTRATION AND MEMBERSHIP

Steve D'Alessandro, CPA, CGA
Chief Operating Officer

Anh Nguyen
Finance and Membership Administrator

EDUCATION

Lynn Bailey, FCPA, FCGA
Director, Education Programs

Tim Carson, FCIRP (ret.), LIT
(Interim) Director, Education Programs
(started July 2023)

Isabelle Gauthier
Registrar and Manager, CQP

Gina Létourneau
Senior Advisor, Education

Benjamin Lecointre
Education Programs Coordinator

COMMUNICATIONS

Jovita D'sa
Manager, Communications

PROFESSIONAL DEVELOPMENT

Natalie Alfano
Director, Professional Development

Josephine Song
Events Assistant

Treasurer's Report



Bridget van Wyk CPA, CA, CIRP, LIT
CAIRP TREASURER

On behalf of the Board of Directors, I am pleased to present CAIRP's audited financial statements for the year ended March 31, 2023. Despite a small operating deficit of \$7,096 and continued investment in the renewal of the education program of \$234,596, and an investment of \$39,624 in CAIRP's recent strategic review, the Association's financial position remains strong, with over \$2.5 million in net assets. The following is a summary of the key highlights of CAIRP'S financial position and results of operations.

STATEMENT OF FINANCIAL POSITION

The Association's liquidity position remains strong, with cash and short-term investments totalling \$952,627 and a long-term investment portfolio of \$1,781,141 as at March 31, 2023.

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 continues to be comprised exclusively of fixed-income instruments issued by provincial governments and CDIC-insured financial institutions. During the year, the Finance committee held extensive discussions surrounding the review of the investment policy, and engaged the Association's investment advisor in discussions to identify whether any changes may be warranted in order to improve the yield on the portfolio. Having considered the portfolio's existing laddering of maturities as well as the long-term forecast

of cash requirements to fund operations and the ongoing investment in renewal of the education program, the committee concluded that the uncertainty associated with an investment in equities is a risk that the Association is not willing to take at this time. In January 2023, the finance committee updated the investment policy statement to require the policy to be reviewed each year, to ensure that the Association continues to achieve an appropriate balance between risk and opportunity. Capital preservation over yield, together with funding availability, continues to guide the organization's investment strategy.

With collections remaining current, there were no receivables to report, other than \$100,183 due from ARIL Society Inc. under the terms of the services agreement between the two parties, payment for which was received by CAIRP subsequent to year-end. Prepaid expenses increased from \$130,558 to \$169,022 as deposits were made with venues in anticipation of the return of the in-person Forums held across the country in spring 2023 and the return of the in-person CNIE tutorial in June 2023. Capital assets decreased from \$112,072 to \$87,878 as amortization outpaced the purchase of additional capital assets in the year.

Accounts payable and accrued liabilities increased from \$186,136 to \$282,376 primarily due to costs incurred late in the fiscal year in preparation for the launch of the new Introduction to Insolvency course in April 2023 which remained outstanding at year end, coupled with an extension in the deadline for payment of the annual learning management system license fees. Deferred revenue

increased significantly, from \$20,699 to \$152,642 as a result of the return to the in-person forums in spring 2023 and CNIE tutorial in June 2023, registration for both of which opened in March 2023.

STATEMENT OF OPERATIONS

Revenue decreased from \$1,994,626 last year to \$1,896,918 primarily due to the continued decline in the volume of enrolment in all education courses and exams since the onset of the COVID-19 pandemic in March 2020.

Member dues decreased slightly as the volume of new CIRPs admitted to membership was not sufficient to keep pace with the volume of retiring members, coupled with a decline in the volume of articling associates renewing their standing in the education program. Advertising revenue decreased as the Association transitioned from offering print advertising to new online promotional opportunities with the launch of the digital publication of Rebuilding Success.

Slightly offsetting these unfavourable revenue developments, investment income increased over the prior year as interest rates rose successively throughout the year, affording higher returns on idle cash invested in the short term, and growth in sponsorship revenue associated with the National Webinar Series more than offset a slight decline in registration revenue.

Total expenses decreased from \$2,035,561 last year to \$1,904,014 primarily due to lower administration expenses, as detailed in the Statement of Administration Expense section included further below.

Despite having anticipated a slightly higher operating deficit in the approved budget, the Association ended the year with an operating deficit of only \$7,096.

STATEMENT OF CHANGES IN NET ASSETS

The operating deficit of \$7,096 generated a corresponding decrease in unrestricted net assets.

Net assets internally restricted for strategic education program investments decreased by the year's investment in CQP renewal of \$234,596, leaving \$695,785 in

restricted net assets to support further education program development. Renewal of the CIRP Qualification Program (CQP) has made significant strides over the past year, with the new Introduction to Insolvency course having been launched in April 2023, with further elements of the program slated for launch in autumn 2023.

During the year, the Board approved a motion to restrict \$50,000 of net assets for purposes of updating CAIRP's strategic plan. A strategic review was undertaken in early 2023, including consultations with several stakeholder groups, to inform the business planning process and identification of initiatives over the next four years to further strengthen the value of the association.

Net assets internally restricted for strategic review investments decreased by the year's investment of \$39,624, leaving \$10,376 in restricted net assets to support the balance of work on this initiative which was concluded shortly following the end of the fiscal year.

STATEMENT OF CASH FLOWS

The net increase in cash during the year of \$63,194 was primarily the result of a net draw from investing activities of \$141,315, primarily driven by the net transfers from the investment portfolio to finance operations, coupled with a significant increase in cash as a result of the early collection of deferred revenues (\$131,943) associated with early registration for the regional Forums and CNIE tutorial event as noted above, and later payment (\$96,240) of investments in the renewal of the education program.

STATEMENT OF ADMINISTRATION EXPENSE

Total administration expense decreased from \$1,912,287 to \$1,788,271 primarily due to lower spending in communications, coupled with slightly lower costs incurred on rent and office costs. Communications costs were lower primarily due to the transition of the Rebuilding Success publication to an exclusively digital version of this publication, together with lower costs associated with an alternative platform for delivery of the AGM event virtually, and costs associated with last year's member survey which did not recur this year.

Office rent was lower than the prior year, owing to a favourable adjustment of additional rent (property taxes, utilities, building maintenance) from estimate to actual, beyond that which was realized in the prior year. Office costs were lower than the prior year as the prior year included investments in the website redesign and brand refresh project, which did not recur this year.

A new line item was added to this schedule this year to disclose the amount of compensation paid to Directors. The annual honoraria payment totalling \$49,000 includes \$20,000 to the Board Chair, \$10,000 to the Vice-Chair, \$5,000 to each of the Treasurer, Secretary and Executive-At-Large, and \$2,000 to each of the two outside directors.

SUMMARY

The Association's financial position remains strong, with approximately \$2.5 million in net assets, of which \$0.7 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 staff for the work that they carry out on behalf of the association. You are all invaluable to the Association and its current and future success. To the CAIRP Executive and Finance Committee THANK-YOU for getting me through my first year as Treasurer, it has been an honour to work with all of you throughout the year and I look forward to the exciting projects to come as we start to action the focus items that arise from the strategic review.

I am very pleased to report that CAIRP's financial results for the first quarter of the new fiscal year are tracking ahead of plan, with significant growth in education enrolment to date. The regional Forums have successfully returned to an in-person format, and the benefits of our continued investment in CQP renewal have begun to be realized, with the launch of the new Introduction to Insolvency course in April 2023. I look forward to another successful year ahead.



Bridget van Wyk, CPA, CA, CIRP, LIT
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, 2023

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, 2023, 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, 2023, 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
June 15, 2023

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	2023 \$	2022 \$
ASSETS		
Current assets		
Cash	150,913	87,719
Investments (note 3)	801,714	519,202
Due from ARIL Society Inc. (note 12)	100,183	16,461
Prepaid expenses	169,022	130,558
	1,221,832	753,940
Investments (note 3)	1,781,141	2,268,958
Capital assets (note 4)	87,878	112,072
	1,869,019	2,381,030
	3,090,851	3,134,970
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities (note 5)	282,376	186,136
Deferred revenue	152,642	20,699
	435,018	206,835
Special Reserve for Lloyd Houlden Memorial Research Fellowship (note 6)	75,993	55,279
Deferred lease incentives (note 7)	51,674	63,374
	127,667	118,653
	562,685	325,488
NET ASSETS		
Invested in capital assets	36,204	48,698
Internally restricted for strategic education program investments (note 8)	695,785	930,381
Internally restricted for strategic review (note 9)	10,376	-
Unrestricted	1,785,801	1,830,403
	2,528,166	2,809,482
	3,090,851	3,134,970

The accompanying notes are an integral part of these financial statements

Approved on behalf of the Board:


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


Bridget van Wyk, CPA, CA, CIRP, LIT
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	2023	2022
	\$	\$
Revenues		
Membership fees	1,113,875	1,148,850
CQP course and examination fees	379,825	445,200
Continuing education seminar and webinar fees and sponsorship	150,650	146,800
Investment income (note 10)	67,203	58,170
Management fees (note 12)	170,000	165,000
Advertising	15,365	30,606
	1,896,918	1,994,626
Expenses		
Administration (see schedule)	1,788,271	1,912,287
CQP courses and examinations	108,712	113,990
Continuing education	7,031	9,284
	1,904,014	2,035,561
Excess of expenses over revenues before the following	(7,096)	(40,935)
CQP renewal (note 8)	(234,596)	(69,619)
Strategic review (note 9)	(39,624)	-
	(274,220)	(69,619)
Excess of expenses over revenues for year	(281,316)	(110,554)

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 \$	Internally restricted for strategic review \$	Unrestricted \$	2023 Total \$
Balance, beginning of year	48,698	930,381	-	1,830,403	2,809,482
Excess of expenses over revenues for year	-	(234,596)	(39,624)	(7,096)	(281,316)
Amortization of capital assets	(26,573)	-	-	26,573	-
Purchase of capital assets	2,965	-	-	(2,965)	-
Disposal of capital assets	(586)	-	-	586	-
Amortization of deferred lease incentives	11,700	-	-	(11,700)	-
Internally imposed restriction (note 9)	-	-	50,000	(50,000)	-
Balance, end of year	<u>36,204</u>	<u>695,785</u>	<u>10,376</u>	<u>1,785,801</u>	<u>2,528,166</u>

The accompanying notes are an integral part of these financial statements

**CANADIAN ASSOCIATION OF INSOLVENCY AND RESTRUCTURING
PROFESSIONALS /
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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 \$	Internally restricted for strategic review \$	Unrestricted \$	2022 Total \$
Balance, beginning of year	58,085	1,000,000	-	1,861,951	2,920,036
Excess of expenses over revenues for year	-	(69,619)	-	(40,935)	(110,554)
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	<u>48,698</u>	<u>930,381</u>	-	<u>1,830,403</u>	<u>2,809,482</u>

The accompanying notes are an integral part of these financial statements

**CANADIAN ASSOCIATION OF INSOLVENCY AND RESTRUCTURING
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L'INSOLVABILITÉ ET DE LA RÉORGANISATION**

Statement of Cash Flows

Year ended March 31	2023 \$	2022 \$
Cash flows from operating activities		
Excess of expenses over revenues for year	(281,316)	(110,554)
Adjustments to determine net cash provided by (used in) operating activities		
Amortization of capital assets	26,573	28,589
Interest capitalized on investments	(32,976)	(41,566)
Receipt of prior year interest capitalized on investments	94,587	166,400
Amortization of deferred lease incentives	(11,700)	(11,700)
	(204,832)	31,169
Change in non-cash working capital items		
Decrease (increase) in prepaid expenses	(38,464)	4,964
Increase (decrease) in accounts payable and accrued liabilities	96,240	(53,187)
Increase (decrease) in deferred revenue	131,943	(28,751)
	(15,113)	(45,805)
Cash flows from investing activities		
Purchase of investments	(3,300,000)	(919,607)
Proceeds from disposal of investments	3,443,694	263,268
Purchase of capital assets	(2,965)	(7,502)
Proceeds on disposal of capital assets	586	-
	141,315	(663,841)
Cash flows from financing activities		
Repayment from (advances to) ARIL Society Inc.	(63,008)	4,882
Net change in cash	63,194	(704,764)
Cash, beginning of year	87,719	792,483
Cash, end of year	150,913	87,719

The accompanying notes are an integral part of these financial statements

**CANADIAN ASSOCIATION OF INSOLVENCY AND RESTRUCTURING
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Schedule of Administration Expense

Year ended March 31	2023	2022
	\$	\$
Amortization of capital assets	26,573	28,589
Audit, legal and consulting	79,428	72,756
Director honoraria (note 11)	49,000	49,000
Committee expenses	7,361	-
Insol International	41,854	47,049
Communication (note 12)	157,057	290,328
Office, printing, postage, courier and sundry (note 12)	167,911	178,399
Rent (note 7)	127,408	137,637
Salaries and benefits	1,131,679	1,108,529
	<u>1,788,271</u>	<u>1,912,287</u>

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

Notes to Financial Statements

March 31, 2023

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.

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.

CQP 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.

**CANADIAN ASSOCIATION OF INSOLVENCY AND RESTRUCTURING
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L'INSOLVABILITÉ ET DE LA RÉORGANISATION**

Notes to Financial Statements (continued)

March 31, 2023

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.

Advertising

Advertising revenue is recognized at the time of publication.

(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)

March 31, 2023

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.

Transactions with related parties are initially measured at cost, determined using undiscounted cash flows.

(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.

Related party financial instruments are subsequently measured at cost less impairment.

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 assets measured at at cost less impairment include due from ARIL Society Inc.

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

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Notes to Financial Statements (continued)

March 31, 2023

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. Fixed income investments maturing within twelve months from the year-end date are classified as current.

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Notes to Financial Statements (continued)

March 31, 2023

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 recorded in these financial statements.

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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.

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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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:

	2023	2022
	\$	\$
Cash	150,913	87,719
Due from ARIL Society Inc.	100,183	16,461
Investments	2,582,855	2,788,160
	<u>2,833,951</u>	<u>2,892,340</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.

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.

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March 31, 2023

2. Financial instrument risk management (continued)

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 laddered portfolio with varying terms to maturity. The laddered 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. Investments

	2023	2022
	\$	\$
Canadian fixed income	2,582,855	2,788,160
Less: current portion	(801,714)	(519,202)
	<u>1,781,141</u>	<u>2,268,958</u>

Interest rates on fixed income investments range from 1.13% to 3.35% (2022 - 1.13% to 4.38%) and maturities range from November 2023 to November 2027 (2022 - May 2022 to November 2027).

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4. Capital assets

	Cost	Accumulated	2023
	\$	Amortization	Net
	\$	\$	\$
Computer equipment	202,593	185,555	17,038
Furniture and fixtures	91,437	78,900	12,537
Leasehold improvements	416,393	358,090	58,303
	<u>710,423</u>	<u>622,545</u>	<u>87,878</u>
	Cost	Accumulated	2022
	\$	Amortization	Net
	\$	\$	\$
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>

During the year, computer equipment with a cost of \$2,930 and accumulated amortization of \$2,344 was disposed of for proceeds of \$586, resulting in neither a gain nor loss being realized on the disposition.

5. Accounts payable and accrued liabilities

	2023	2022
	\$	\$
Trade payables and accrued liabilities	271,953	184,656
Government remittances	10,423	1,480
	<u>282,376</u>	<u>186,136</u>

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6. Special Reserve for Lloyd Houlden Memorial Research Fellowship

	2023	2022
	\$	\$
Balance, beginning of year	55,279	38,818
Contributions (note 12)	20,714	16,461
Balance, end of year	<u>75,993</u>	<u>55,279</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 2023 or fiscal 2022.

7. Deferred lease incentives

	Cost	Accumulated Amortization	2023 Net
	\$	\$	\$
Tenant inducements	103,348	51,674	51,674

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

Amortization of lease incentives in the amount of \$11,700 (2022 - \$11,700) was credited to rent expense in the current year.

8. 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 \$234,596 (2022 - \$69,619) from net assets internally restricted for strategic education program investments for the purposes of CQP development. These strategic education program investments, which may otherwise qualify as internally generated intangible assets, are expensed as incurred.

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

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9. Net assets internally restricted for strategic review

The Board of Directors of the Association has internally restricted net assets to provide for strategic review.

During the current year, the Board of Directors approved the transfer of \$50,000 from unrestricted net assets to net assets internally restricted for strategic review and the utilization of \$39,624 from net assets internally restricted for strategic review for the purposes of strategic planning.

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

10. Investment income

	2023	2022
	\$	\$
Interest from cash	2,892	1,900
Interest from investments	64,311	56,270
	<u>67,203</u>	<u>58,170</u>

11. Director honoraria

Members of the Executive Committee, including the Chair, Vice-Chair, Treasurer, Secretary and Executive-At-Large, as well as the Association's outside Directors, each receive an annual honorarium in recognition of their service to the Association.

12. Related party transactions

The Association is related to ARIL Society Inc. (the "Society"), by virtue of significant inter-organization transactions and an interchange of managerial personnel with the Society, which enables 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's 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.

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12. Related party transactions (continued)

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 \$165,000, \$170,000 and \$175,000 in each of fiscal 2022, 2023 and 2024, respectively
- ◆ An annual financial services fee of 3% of the Society's revenue, collected by the Association
- ◆ An annual research contribution of 15% of the Society's operating surplus which exceeds \$50,000 to the Lloyd Houlden Memorial Research Fellowship

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

	2023	2022
	\$	\$
Management fees	170,000	165,000
Financial services fees (credited to office, printing, postage, courier and sundry expense)	10,127	5,505
Sponsorship (included in communication expense)	(25,000)	(25,000)
Conference registration (included in office, printing, postage, courier and sundry expense)	-	(1,500)

Contributions receivable from the Society to the Lloyd Houlden Memorial Research Fellowship in the amount of \$20,714 (2022 - \$16,461), are recognized as deferred contributions (note 6).

As at March 31, 2023, there is a balance due from the Society in the amount of \$100,183 (2022 - \$16,461). The balance is unsecured, non-interest bearing and due on demand.

The balance due from the Society was received subsequent to year end, with the exception of the Lloyd Houlden Memorial Research Fellowship contribution in the amount of \$20,714, which will be settled upon finalization of the audited financial statements of the Society for the year ended March 31, 2023.

13. 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:

	\$
2024	168,365
2025	168,365
2026	168,365
2027	168,365
2028	70,152
	<u>743,612</u>

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