

CAIRP | Rebuilding
Success

**Canadian Association of
Insolvency and Restructuring
Professionals**

45 Years:
Shaping the
Future Together

CAIRP
Annual Report
2023-2024



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

Our 2023-2024 Goals

- Revitalize the CIRP and LIT brands; raise the profile of the industry
- Ensure timely response to developments in the insolvency marketplace
- Deliver best-in-class professional education - relevant, effective, and engaging CQP, PCIC and IA learning experience
- Drive cost efficiencies and ensure resilience in CAIRP's operations and services
- Promote a highly engaged, inclusive and diverse membership
- Increase membership retention and growth that sustains a healthy, going concern CAIRP
- Maintain and build on strong positive relationship with OSB

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Board of Directors

Executive Committee



CHAIR/ONTARIO REPRESENTATIVE
André Bolduc CPA, CA, FCIRP, LIT
 Ottawa, ON



VICE-CHAIR/DIRECTOR-AT-LARGE
Craig Munro CPA, CA, FCIRP, LIT
 Vancouver, BC



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



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



EXECUTIVE-AT-LARGE, DIRECTOR-AT-LARGE
Simone Carvalho
 CPA (U.S.), CA (India), 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 CFE, CIRP, 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
Virginie Comtois CPA, CIRP, LIT
 Brossard, QC



SASKATCHEWAN
Michelle Statz CIRP, LIT
 Saskatoon, SK

Other Board Members



CPA CANADA REPRESENTATIVE
Julie Mortreux CPA, CIRP, LIT
 Montreal, QC



NEW MEMBER REPRESENTATIVE
Laura (Nicole) Olsen AFCC, CIRP, LIT
 Calgary, 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



André Bolduc CPA, CA, 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 2023-24 Annual Report on this, CAIRP’s 45th anniversary. It is hard to believe it has been 45 years since the association was formed. In 1979, a group of concerned insolvency practitioners came together and launched a new professional body, the Canadian Insolvency Association or CIA as CAIRP was originally known. To commemorate this special milestone CAIRP will be publishing *The History of The Canadian Association of Insolvency and Restructuring Professionals from CIA to CAIRP* on the CAIRP website in fall 2024.

I am pleased to report that CAIRP has completed its transition from a post pandemic environment and that CAIRP’s Board and staff continued to rise to the challenges and perform admirably to advance the profession. The CAIRP 2024-2028 Strategic Plan, which was approved by the Board of Directors in June 2023 and presented at last year’s Annual General Meeting, is being actioned. I will provide you with an update on our progress. For more details on CAIRP’s 2023-24 performance, I would encourage you to review the committee reports and audited financial report in this Annual Report.

CAIRP’s 2024-2028 Strategic Plan

The 2024-2028 CAIRP Strategic Plan is an important self-examination by the Association, articulating our goals and the direction for our renewal following the COVID-19 pandemic. It considers member feedback and an assessment of the rapid and fundamental changes that are occurring in the insolvency marketplace. This ambitious plan addresses

the issues raised by members and stakeholders and includes four key goals including: 1) revitalizing the CIRP and LIT brands; 2) delivering best-in-class professional education; 3) providing timely response to developments in the insolvency marketplace; and 4) ensuring resilience in CAIRP’s operations and services. This plan will act as the focus for CAIRP efforts in the coming five years and I am pleased to report on our progress.

Revitalizing the CIRP and LIT brands

Efforts are underway to meet the first goal of raising the profile of CAIRP, its members and the industry. CAIRP was very active in its ongoing media outreach with the issuance of six media releases generating over 1200 media mentions in major and regional news outlets across the country. Over 430 media outlets carried a CAIRP news story. The CAIRP Media Communications Committee developed 15 blog posts as well national and provincial backgrounders on the industry that can be used for educating stakeholders on the insolvency industry and the services provided by our members.

Working closely with the OSB, CAIRP developed and issued a joint OSB-CAIRP Consumer Alert on how to avoid debt relief scams in November during Financial Literacy Month. Information on how to find an LIT or LIT firms on the OSB and CAIRP websites was also provided.

CAIRP continues to enhance its website ensuring it is accessible and visible so that the public and stakeholders have an accurate understanding of how to find LITs, overcome their debt issues and avoid debt relief scams.

Deliver best-in-class professional education

On the education front, CAIRP continued with the virtual delivery of all education programs including examinations and the Competency-based National Insolvency Exam (“CNIE”) assessment and appeal centres with good results in all of the programs. The in-person CNIE Preparation Tutorial returned in June 2023 with 30 candidates participating.

Over the last two years we have seen the highest CNIE pass rates in recent years with 77% of candidates passing the CNIE this year and 67% the previous year. CAIRP is encouraged by these results as we have been and continue to be focused on listening to candidates through surveys and roundtables and providing tools to help them succeed, while importantly maintaining the quality of the exam. Regarding the other courses, the IA and PCIC exam pass rates continue to be strong. I am also pleased to report that the renewed CQP started rolling out in spring 2023, and all students became part of the renewed program in June 2024. The first cohort in the renewed program will write their exam in November. Having seen a demonstration of the renewed program I can tell you the CQP online program delivery has evolved substantially and is now engaging and interactive.

The first course in the program, the Introduction to Insolvency course, is also offered as a standalone course. I would strongly encourage anyone interested in insolvency to consider taking the course. CAIRP is also encouraged with a recent pick up in enrolment, particularly in the CQP and PCIC programs and we are hopeful these trends will continue.

The Professional Development team was in high gear this past year with the return to in-person events. Over 65% of members attended a CAIRP-run event this past year, and of those, 90% said they would recommend a CAIRP PD event to a colleague. We are continuing with our webinar series specifically designed for the Insolvency Administrator Associates, and the program seems to be well received.

In addition to the Forums and Exchange, CAIRP successfully delivered the ARIL conference for the ARIL Society in

February with more than 600 attendees participating. It was a great event! I am pleased to report that CAIRP and ARIL recently renewed their service agreement for another three years and we look forward to our collective work ahead.

Timely response to developments in the insolvency marketplace

Significant time and focus were given to proactive advocacy efforts throughout the year. This included the participation in three OSB consultations including the consultation on Forms 31, 65, 78 and 79 and CAIRP’s participation in the OSB Surplus Income Working Group. CAIRP also pulled together a Tariff Review Task Force to develop CAIRP’s submission to the OSB for *Enhancing the Accessibility of the Insolvency System - LIT remuneration*.

ISED undertook a consultation in May 2023 on protecting the public interest functions of Post Secondary Education Institutions which CAIRP participated in and provided a written submission. Another Private Members Bill gained traction, Bill C-280. This bill titled “An Act to amend the Bankruptcy and Insolvency Act and the Companies’ Creditors Arrangement Act (deemed trust perishable fruits & vegetables) is moving quickly and is now in the Senate. CAIRP sent a submission on this issue and is expecting to appear before the Committee. CAIRP also provided submissions to Finance Canada’s annual Pre-Budget Consultations in advance of the 2024 Federal Budget in February as well as a submission to the Regulatory Affairs Sector of the Treasury Board Secretariat consultation on the Annual Regulatory Modernization Bill in June.

This past year has been particularly busy with CRA issues. CAIRP has been working closely with representatives of the Canada Revenue Agency (“CRA”) to address member issues such as the Underused Housing Tax, Climate Action Incentive Payment (CAIP)/Canada Carbon Rebate (CCR) and T3 trust reporting requirements. We also are working with the 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.

It was another active year with interventions. 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 was granted by the Supreme Court of Canada in August 2023 and CAIRP's legal team appeared before the court in December 2023 with a judgement rendered July 31, 2024. The judgement of the Supreme Court of Canada was consistent with the position that had been argued by CAIRP. The Court held that securities commission's disgorgement orders can remain undischarged in a bankruptcy, but administrative monetary penalties can be discharged.

CAIRP was recently granted leave to intervene before the Supreme Court of Canada, in the case of Piekut vs. Canada (Minister of National Revenue). CAIRP's Factum was submitted on June 10, 2024 and the hearing has been scheduled for Tuesday, November 5, 2024.

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

Last year, CAIRP's CEO was appointed to the Financial Consumer Agency of Canada's (FCAC) Consumer Protection Advisory Committee. Her seat at the table has been helpful with our industry's efforts to raise its profile and with the Debt Advisory Marketplace issues. I joined Anne at the FCAC's National Launch for Financial Literacy Month in November where we had a good opportunity to discuss issues with the FCAC Commissioner and members of her Executive Team.

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 Regional Forums, Toronto Exchange and CAIRP's virtual AGM.

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. A virtual "Meet and Greet" with a cross section of CAIRP Members was held in July 2023 to introduce Miranda Killam, OSB's new Deputy Superintendent, responsible for Regulatory, Policy & Public Affairs. CAIRP also arranged two OSB-CAIRP roundtables with members on OSB's *Engagement with Indigenous Peoples Initiative* in December.

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. A survey of students enrolled in all CAIRP programs was undertaken this past year and as part of the survey this issue was explored to ensure we were on track. CAIRP continues to work with the OSB on the representativeness data project which launched in 2020.

Ensure resilience in CAIRP's operations and services

Given the decline in education enrolment over the last couple of years, the CAIRP Board had approved a small, planned deficit for fiscal 2023-24. I am pleased to report CAIRP ended the year with an operating surplus of \$59,867 as a result of better-than-expected enrolment in education programs and professional development offerings. During the year, significant progress was made towards the renewal of the CIRP Qualification Program, with an investment made of \$442,448. The Association's financial position remains strong, with over \$2.1 million in net assets. This was the 9th 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 their efforts.

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 63 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 encourage interest in the profession, CAIRP promoted the graduates on LinkedIn and through ad placements in the *Rebuilding Success* Magazine.

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.

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.

I am proud of what we accomplished together in CAIRP's 45th year of operation. 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.



André Bolduc, CPA, CA, FCIRP, LIT
Chair

Chartered Insolvency and Restructuring Professionals (CIRP) Recipients 2023-24

The CIRP certification mark is the recognizable symbol of integrity, education and professionalism of the insolvency and restructuring profession in Canada. In 2023-2024, 28 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 2023-2024 recipients on their journey.



Akhil Kapoor, CA (India), CFA, CIRP, LIT
Manager
MNP Ltd.
Toronto, ON



Alexandre Tremblay, CPA, CIRP
Administrator
Tremblay & Compagnie Syndics
et Gestionnaires Ltée
President
Simard Tremblay CPA Inc.
Saguenay, QC



Alexanne Couture, B.A.A., CIRP
Insolvency Counsellor
Roy Métivier Roberge Syndics
Quebec, QC



Cheryl Hodder, CIRP
Manager
Grant Thornton LLP
Halifax, NS



Connor Beverley, B.Comm., CIRP
Operations Manager
Beverley & Associates Inc.
Prince George, BC



Corey Hines, CPA, CIRP
Manager
Grant Thornton LLP
Halifax, NS



David Meunier, CIRP
Assistant Manager - Restructuring
and Insolvency
Raymond Chabot
Brossard, QC



David Williams, CPA, CIRP
Director, Restructuring &
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Jean-François Boucher, CPA, CIRP
Senior Manager
Deloitte LLP
Montreal, QC



Jennifer Schofield, B.Comm., CIRP
Licensed Insolvency Trustee
Allan Marshall & Associates Inc.
Calgary, AB



Joshua Heagy, CPA, CIRP
Director
Ernst & Young Inc.
Calgary, AB



Kevin Koo, CPA, CIRP
Manager
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Lindsay Pellett, CPA, CA, CIRP
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Matthew Hanrahan, CPA, CIRP
Director
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Calgary, AB



Maude Lefebvre, B.A.A., CIRP
Senior Financial Recovery Advisor
Raymond Chabot
Quebec, QC



Nelson Allan, CPA, CIRP
Senior Manager
Crowe MacKay & Company Ltd.
Vancouver, BC



Parneet Singh, CIRP
Vice President
Goldhar & Associates Ltd.
Toronto, ON



Rémy Côté, CPA, CIRP
Partner
Mallette S.E.N.C.R.L.
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Serena Daniels, CPA, CIRP
Director
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Edmonton, AB



Skyler Rushton, CPA, CIRP
Director
Alvarez & Marsal Canada
Toronto, ON



Stephen Oosterbaan, CIRP
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Alvarez & Marsal Canada
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Vanja Aladin, LL.B., CIRP
Director
Raymond Chabot Inc.
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William Gertler, MBA, CIRP
Corporate Estate Associate
Baigel Corp
Toronto, ON



Yelena Riazanski, CIRP
Senior Estate Manager
L. C. Taylor & Co. Ltd.
Winnipeg, MB

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 2023-2024.

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 - **Zaki Alam** and **Crystal Buhler**.

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“I am both shocked and humbled to receive this award. I have always liked to help others throughout my career, but being recognized by my fellow peers is extra special. My heartfelt thanks to those in the nominating committee who supported me. Volunteering with CAIRP has played an important role in my professional growth. It has not only helped me build confidence in my own abilities and become a well-rounded professional, but also helped me give back to our small community the support which other members have given to me. I have received encouragement and guidance throughout my career from AAIRP and CAIRP members, who have become friends over the years. Our Association is only as strong as our volunteers, and I feel privileged to play a part in helping to advance our goals and the future direction of the profession.”



Zaki Alam, CPA, CA, CIRP, LIT

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“CAIRP is known for being a very ambitious organization – hundreds, or perhaps thousands of hours are spent each year by volunteers, ensuring that members have up-to-date resources and that its members are recognized as the voice of insolvency practitioners in Canada. I am honored and grateful to be chosen for this award, as I’m only one among so many who have contributed. I appreciate that CAIRP honors its volunteers – finding the capacity to volunteer can be a challenge, and it has been because of the support and encouragement from my colleagues, mentors, and family, that I’m able to do so. Working with CAIRP staff and volunteers on the regulatory updates, including the tariff submission and other committees has been extremely rewarding, and I look forward to watching our efforts become reality, which will help ensure LITs continue to have the opportunity to give back.”

Crystal Buhler, CPA, CGA, 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 **Laura (Nicole) Olsen**.

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“Receiving the New Member Award of Merit is a profound honour and a significant milestone in my career. This recognition not only represents a personal achievement, but also reflects my deep commitment to giving back to the community, which has always been a central goal for me. It is incredibly rewarding to be acknowledged for efforts that contribute to the betterment of our community and industry. Volunteerism with CAIRP is important to me because I am passionate about continued education and ensuring all members have access to valuable learning opportunities. During my studies, I struggled to find resources and support, which inspired me to create better opportunities for others once I obtained my license. By volunteering, I can contribute to developing educational programs that support our members' professional growth and success. I hope to make a lasting impact and help others achieve their goals more easily and effectively.”

Laura (Nicole) Olsen, AFCC, 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 **William (Bill) A. Courage**.

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“I am deeply honoured that I was nominated for this award and that the Committee and Board saw fit to award it to me. In a way you can “earn” a FCIRP through a prodigious amount of work in CAIRP, but the KGC is different. “Being like Keith” is about as nice a compliment as a practitioner could receive. I knew Keith and he supported me during the years that our paths crossed at conferences and in volunteer work. To be recognized by the Association and considered to be carrying on Keith's legacy is special to me.”

William (Bill) A. Courage, CPA, CA, FCIRP (Ret.)



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, **Ian Penney**, **Lee Close**, **Naida Kornuta** and **Andrew Dagleish** are being recognized for their contributions.

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“Receiving the award is not nearly the honour that having been nominated is. The award speaks to the shared values and relationships that develop as part of this profession over an extended period. I have often volunteered, both with organizations I am a member of and with organizations that I have an affinity for. I find volunteering is a great way to build my skillset and better understand the workings of an organization. Of the many volunteer roles I’ve had, my involvement with the CAIRP exam process has been one of the most rewarding as it used my skillset and taught me so much. I am always so proud of my fellow CIRPs when we complete the exam cycle. I’ve seen much change over the years with the exam process and the profession and I am excited that the profession continues to adapt.”

Lee Close, CPA, CA, CMC, FCIRP, LIT



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“While I have been recognized for various professional and volunteer accomplishments throughout my career, I am particularly proud of receiving the FCIRP as it is recognition of significant contributions to my chosen profession over an extended period of time. Most importantly, it was granted to me by my peers. It is very satisfying (and humbling) to be told that people with similar educational backgrounds, who do similar work and for whom I feel a great deal of respect believe that my efforts are worthy of recognition. Being a self-governing profession is a privilege that carries significant responsibility. It also requires a great deal of work! Maintaining a productive relationship with our regulator is also very demanding. We are a small association with relatively few members so the demands on our Association are varied and significant. I feel very strongly that we are extremely lucky as professionals to be in the position that we are in, but also recognize that operating our Association in a way that meets the needs of all our stakeholders requires a great deal of work from volunteers. I have always been happy to do my part to advance our profession.”



Ian Penney, FCPA, CA, FCIRP, LIT

FELLOW CHARTERED INSOLVENCY AND RESTRUCTURING PROFESSIONAL

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“Receiving the Fellowship Award is an honor and I feel very privileged to be a recipient of this award. I became involved in the marking centers when I received my license in 2004. I found the opportunity to develop relationships and friendships with practitioners across the country was invaluable. The marking centres and eventually the opportunity to sit on the Exam Board provided the best opportunity for professional development. The profession has opened many opportunities to grow and I feel it is important to support CAIRP through ongoing volunteerism. I would like to acknowledge the support from MNP which allowed me to commit the time required to fulfill the volunteer commitment.”

Naida Kornuta, FCIRP, LIT



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“I am delighted and very honoured to receive the Fellowship Award. This was totally unexpected and is very meaningful to me, personally and professionally. I chose to become part of this profession in 1977 after being seconded from audit to insolvency to work (in a very small way) on the bankruptcy of Provincial Refining Co. at Come By Chance, Newfoundland and Labrador. I was fascinated by the personal, business, and legal issues I encountered in insolvency work and requested a permanent transfer to that department. Volunteerism with CAIRP has been important to me since I first became a member of the Canadian Insolvency Association. I have mostly concentrated on student education, as I find that is where I can make the greatest contribution.”



Andrew Dalglish, CPA, FCIRP, LIT

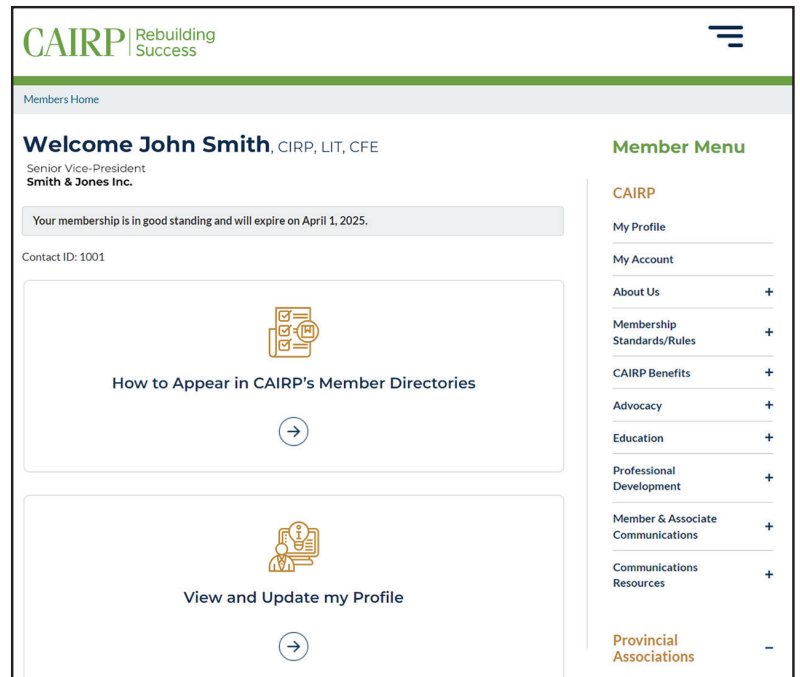
Membership

2023-24 Membership Chart

	General	Articling Associates	Corporate	Life	Inactive	Insolvency Administrator Associates
2023-2024	910	278	16	113	6	63
2022-2023	913	265	16	110	8	58
2021-2022	934	318	18	118	3	0
2020-2021	937	367	19	122	2	0
2019-2020	955	348	21	137	5	0
2018-2019	951	298	21	204	6	0
2017-2018	984	347	20	190	12	0

Members Area of CAIRP's website

The Members Area of CAIRP's website was significantly enhanced to provide our members and associates with a better user experience and a single point of access for important news, resources and information in one place. The enhanced website includes an updated design and layout that is consistent with the branding of the public website, easy to navigate and user-friendly. It also includes a streamlined menu that is organized by topics of importance and brand new content such as CAIRP's 2024-2028 Strategic Plan, submissions and interventions, and how to use and promote the CIRP designation, among others.



Advocacy & OSB Relations

Advocacy

Over the past year significant time and effort were given to advocacy efforts. The Consumer and Corporate 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 consultations this year.

OSB Relations

As part of CAIRP's advocacy efforts, CAIRP continues to collaborate with the OSB in numerous ways to strengthen relations and improve Canada's insolvency profession. Ensuring open lines of communication with the OSB is critical and to achieve this CAIRP hosted the Superintendent of Bankruptcy at CAIRP's Regional Forums, the Toronto Exchange and the CAIRP AGM.

Meetings are held throughout the year every 2 weeks between the OSB Superintendent and the CAIRP Chair, Vice Chair and CEO, 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 2023-24:

- 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
- 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 scams and encouraged Canadians to meet with Licensed Insolvency Trustees – November 2023
- Arranged a briefing for OSB senior management on student feedback on CAIRP's education programs – October 2023

- Arranged two OSB-CAIRP roundtables with members on OSB's Engagement with Indigenous Peoples Initiative – December 2023
- Organized a joint meeting of OSB-CAIRP Senior Executive to discuss a range of issues including the Debt Advisory Marketplace – February 2024

OSB Consultations

The OSB requested CAIRP's input in three consultations including one working group 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, the Tariff Review Task Force and Working Group Volunteers:

- Surplus Income Review Committee Working Group – Summer 2022-Winter 24
- Consultation on *Proposed changes to Form 31, Proof of Claim, Form 65, Monthly Income and Expense Statement of the Bankrupt/Debtor and the Family Unit and Information (or Amended Information) Concerning the Financial Situation of the Individual Bankrupt, Form 78, Statement of Affairs (Business Bankruptcy/Proposal) and Form 79, Statement of Affairs (Non-Business Bankruptcy/Proposal)* – Fall 2022 – Fall 2024
- CAIRP's Submission for Enhancing the Accessibility of the Insolvency System – LIT remuneration – June 2024

ISED/CRA/Finance Canada/FCAC/EDC Relations

CAIRP continued its efforts to build relationships with ISED/CRA and Finance Canada as well as establishing new relationships including Export Development Corporation (EDC) who have been tasked to manage the CEBA Loan Program. The following are examples of relationship building/advocacy meetings over the past year:

Regular OSB/CRA/CAIRP Liaison Committee meetings

Ad hoc discussions with CRA as required to resolve member issues such as Underused House Tax, CAIP and T3

- Regular calls with ISED to discuss the lack of access to the insolvency system for MSMEs; 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; Bill C-280 and other policy issues
- CRA Portal Project – CAIRP provided working group members for the initiative which would allow CAIRP members to EFile documents with the CRA, allow for two-way communications and better integration with systems – Project commenced December 2021 with recent meeting held January 2024
- CEO is a member of the FCAC Consumer Protection Advisory Committee. Chair and CEO attended the FCAC’s National Launch for Financial Literacy Month in November
- Established contact with Special Projects group at EDC handling CEBA loans. First meeting held June 2024 with agreement to meet quarterly going forward to share information and issues

Other Government Consultations

CAIRP participated in four consultations with ISED, Finance Canada/Treasury Board and the Senate Committee reviewing Bill C-280. CAIRP provided the following submissions in 2023-24:

- CAIRP Submission to ISED’s Consultation on Protecting the Public Interest Functions of Post Secondary Education Institutions (PSEIs) May 2023
- CAIRP Submission to the Regulatory Affairs Sector of the Treasury Board Secretariat *Consultation on the Annual Regulatory Modernization Bill* – June 2023
- CAIRP Submission to the *Standing Senate Committee on Banking, Commerce and the Economy* – Bill C-280 – November 2023
- CAIRP Submission to *annual Pre-Budget Consultations in advance of the 2024 Federal Budget* – Feb 2024



From left to right: CAIRP Chair, **André Bolduc**; FCAC Commissioner, **Judith Robertson**; FCAC Assistant Commissioner of Public Affairs, **Jason Bouzanis**; CAIRP President & CEO, **Anne Wettlaufer**; FCAC Deputy Commissioner, Research, Policy and Education, **Dr. Supriya Syal**.

Education

CAIRP provides relevant and high-quality education programs to assist individuals to obtain designations and certifications such as BIA Insolvency Counsellors (through the PCIC Course), Insolvency Administrators (through the Insolvency Administrators (IA) Course) and CIRPs (through the CQP). 2023 was a very active period, during which we focused on the development and delivery of a renewed CQP.

CAIRP Student Survey

In this past year, CAIRP undertook an online student survey of current CQP students, CNIE writers (November 2022) and current IA and PCIC students. The main objectives of the survey were to:

- measure the perceived value of the tools and supports that CAIRP offers to those who are in our education programs;
- explore what students believe could be done to improve the program they are currently pursuing or had recently completed; and
- to explore what, if any, contributors or barriers there were to the success of students in completing the program which they are currently pursuing.

The observations and comments of candidates in the various programs has informed the development of the style and content of current redevelopment efforts. The results of the survey were summarized and presented to OSB Superintendent Elisabeth Lang and the OSB on October 16, 2023.

CQP Enrolment

In 2023, CAIRP saw an increase in enrolments to the CQP and across all courses including the PCIC and IA, which rebound is likely, at least in part, attributable to the exit from the COVID-19 pandemic and the increase in both consumer and corporate insolvency filings, which may have resulted in increased employment opportunities for insolvency practitioners.

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.

CQP Renewal Launch

Significant work on the CQP renewal was completed in 2023. Most candidates have been transitioned into the new courses as of March 31, 2024. The first course “Introduction to Insolvency” was launched in May 2023; the second course “Insolvency Principles, Processes and Practice” (iP3) was soft launched in October 2023 and the final course modules were launched in January 2024.

The current CQP syllabus can be accessed on CAIRP’s website.

CNIE Tutorial

After a three-year hiatus, we resumed our in-person CNIE Tutorial in 2023. A four-day tutorial was held at Kingbridge Conference Centre in June 2023. 30 candidates attended these sessions and the feedback relating to the in-person event was very positive and suggests strong future demand for this offering.



Virtual Program Delivery

Virtual exam preparation sessions were offered in 2023. There were five sessions delivered in both English and French, which reviewed the case and the assessment guide. Candidates were provided with the case questions one week prior to the session and requested to upload their answer in advance of the live session. In the latter part of the session, candidates were put into small groups to mark/review each other’s answers. The sessions were recorded for those not able to attend live. 35 candidates were registered for the sessions.

CAIRP continues to deliver all its exams online. All 2023 exams were delivered, monitored and written remotely through the Examsoft/Examplify software. The software provides for monitoring and proctoring for the PCIC, CKE and CNIE, ensuring the security and integrity of the exams.

The CNIE marking center was conducted remotely, with 39 markers participating this year. Markers attended a virtual orientation session prior to the start of the formal center. Online assessment forms were used that automated the compilation and consolidation of results from all markers, and highlighted areas for reconciliation. Where appropriate, markers provided detailed comments on candidate papers that were used to provide feedback to those who requested it. Following the marking centre, a survey of markers was completed which included overall positive feedback regarding their marking experience.

Exam Pass Rates

CAIRP saw increased pass rates on most exams in 2023. Congratulations to all successful writers!

The Core Knowledge exam was held on October 12, 2023. 38 candidates attempted the exam. The overall pass rate was 63%, an increase from the previous year. The CNIE examination was held on November 15 and 16, 2023. 35 candidates wrote the exam. The pass rate for the exam was 77%, the highest result seen in over a decade.

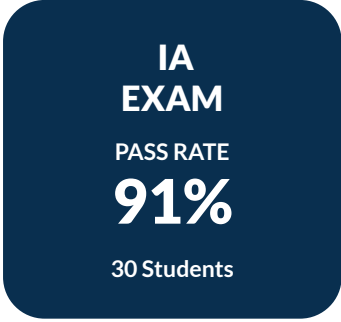
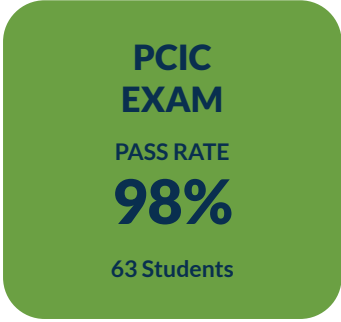
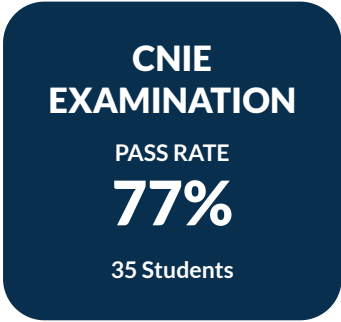
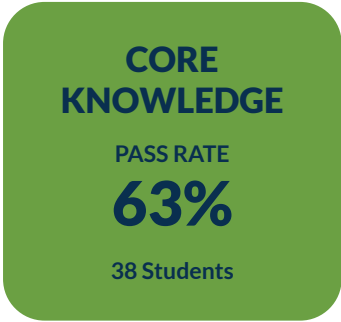
There were two PCIC exams held in 2023, with a total of 63 candidates writing them on June 29 and February 9. A total of 62 candidates successfully passed the exams (an overall pass rate of 98%).

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 2023, of which 30 were successful yielding a pass rate of 91%.

As members are aware, all course materials and exams are offered in English and French.

The CQP Committee will continue to focus on its key priorities for 2024, including increasing enrolment, continued support of the renewed CQP, renewal of the IA course and promoting pass rate stability for the CNIE. In conjunction with these objectives, CAIRP also continues to be committed to widespread accessibility to the CQP.

Our CQP Committee and Subcommittee members, continue to provide commendable leadership for CAIRP’s education mandate and programs. From coming up with new ideas to delivering significant improvements in the design and delivery of each of our programs, their knowledge, passion and contributions are much appreciated. We hope to see these improvements enhance the learning journey for each of our candidates and produce strong new entrants to the insolvency profession.



Professional Development

Forums & Exchange

The Insolvency and Restructuring Forums returned to an in-person format in the spring of 2023 with events in Montreal, Halifax, Calgary, Vancouver and Winnipeg. The Forums were well received with over 450 people in attendance. The Forums were followed by the Toronto Exchange in September 2023, where almost 300 attendees from consumer and corporate practices enjoyed a full day of sessions and networking at the closing reception. Overall, 89% of attendees who responded to the Forums and Exchange post-event surveys said they would recommend a CAIRP webinar to a colleague and 90% of attendees rated the sessions as having met or exceeded their expectations.



Insolvency Administrator Associate Webinar Series

The second year of the Insolvency Administrator Associate Webinar Series concluded on March 31st with 3 English webinars and 3 French webinars. The planning committee put together interesting sessions with topics based on the feedback received from the first year of webinars and were well received by attendees.



21st Annual Review of Insolvency Law Conference

On February 2nd, 2024 the 21st Annual Review of Insolvency Law (ARIL) Conference took place at the JW Marriott Parq Hotel in Vancouver, British Columbia. 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. With the support of many sponsors, speakers and authors, the team was able to create a successful program, featuring compelling and engaging sessions.

Communications

CAIRP's 2023-24 communications efforts were aimed at revitalizing the CIRP and LIT brands; raising awareness of the CIRP designation among industry stakeholders and raising the profile of LITs in the public; promoting CAIRP's programs, services and events; and keeping our members informed and engaged.

OSB-CAIRP Consumer Alert

For the second year in a row, CAIRP and the OSB issued a joint Consumer Alert in November 2023 during Financial Literacy Month. The alert was aimed at helping Canadians identify and avoid debt-relief scams, and providing them with information on LIT services and how to find an LIT on the OSB's and CAIRP's websites. The alert received widespread national media coverage and CAIRP issued social media posts on the alert, which were amplified through members who helped to spread the message.

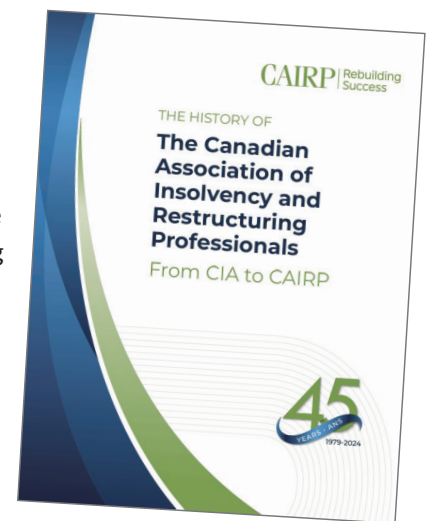


Provincial Advocacy Documents

CAIRP's provincial associations work closely with key stakeholders at the provincial and local level including courts, regional OSB and CRA representatives, provincial government officials, other regulators and insolvency stakeholders to ensure their members' views are heard and to amplify the industry's voice in support of a vibrant insolvency system. CAIRP has created a backgrounder to assist our provincial associations in educating these stakeholders on the insolvency industry and the services provided by our members.

CAIRP History Publication

To commemorate CAIRP's 45th anniversary, the Association has been updating a document on CAIRP's History that was originally created in 2014, but never published. We have redesigned the document and added significant new content to provide a more fulsome version of CAIRP's storied history. Additional information has been added using excerpts from CAIRP's annual reports, newsletters and Rebuilding Success magazine. The document sections include: the Timeline of the Association, the Early Days, Past Presidents and Chairs, A Commitment to Education, Volunteers and Committees, An Association for the Future, CAIRP Staff along with a Message from the current Board Chair. This document is expected to be published in fall 2024.



Website Optimizations

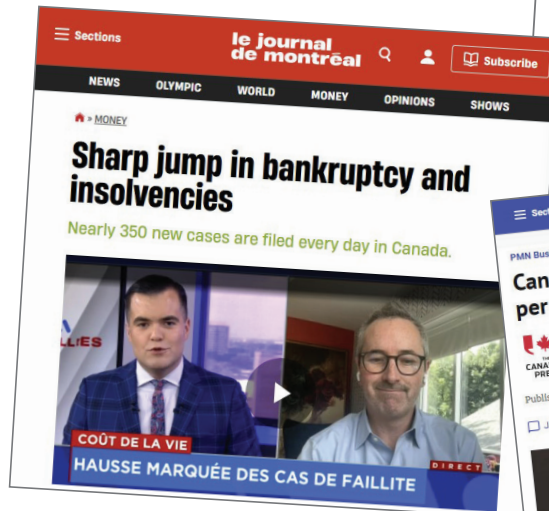
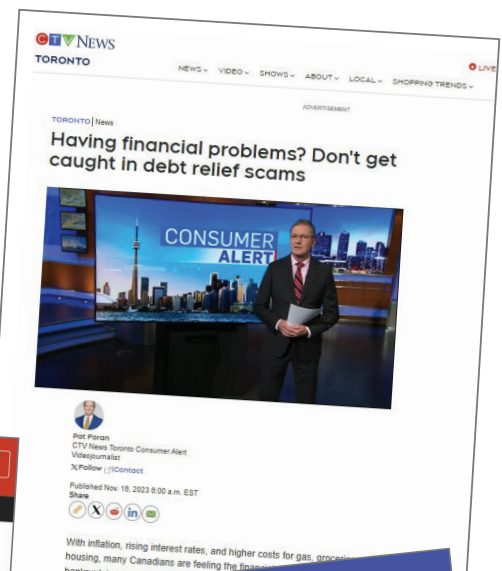
Building on the website enhancements we have undertaken over the past few years, CAIRP has engaged the services of digital marketing professionals to improve the visibility of our website in Google Search rankings (Search Engine Optimization) and to make our website more inclusive and accessible. The purpose of these initiatives is to raise the visibility of our LITs and the services they provide, and to provide useful, relevant and accurate information to the public on how to overcome their debt issues and avoid debt relief scams.

Media and Social Media Engagement

CAIRP continued to build on our strong media foundation in 2023-24, 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, Financial Post, CBC Radio, Canadian Mortgage Professional Magazine, Wealth Professional, Investment Executive, Advisor's Edge and Le Devoir, along with regional media to name a few.

- 6 media releases issued
- 434 media outlets have carried a CAIRP story
- 1238 media mentions

CAIRP posted multiple blogs on a variety of financial literacy themes written by members of the Media Communications Committee and guest authors. We also successfully conducted our 4th 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.



CAIRP Publications

- **Rebuilding Success Magazine:** We published two editions of CAIRP's Rebuilding Success magazine, with content tailored to the interests of our 7400+ readers. Our thanks to the Editorial Advisory Board, who is responsible for generating technical and editorial content for the magazine. Last year, we covered a wide range of topics such as a profile of our new Chair, André Bolduc; the impact of artificial intelligence on the insolvency profession; the impact of COVID-19 on our courts; and Superintendent of Bankruptcy, Elisabeth Lang's second term in office.
- **Newsletters and Bulletins:** As one of CAIRP's most popular digital benefits for members, CAIRP continued to create newsletters and member bulletins to share important news and topics of interest on our Association with our members.



Interventions

It was another active year with interventions. Following consultations with the Intervention Committee, CAIRP moved forward with the Poonian et al v. British Columbia Securities Commission Intervention. The case involved 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 was granted by the Supreme Court of Canada in August 2023 and CAIRP's legal team appeared before the court in December 2023 with a judgement rendered July 31, 2024.

The judgement of the Supreme Court of Canada was consistent with the position that had been argued by CAIRP. The Court held that securities commission's disgorgement orders can remain undischarged in a bankruptcy, but administrative monetary penalties can be discharged. This decision resolves conflicting decisions from the BC and Alberta Courts of Appeal and clarifies the scope of ss. 178(1)(a) and (e) of the *Bankruptcy and Insolvency Act*. Gowling WLC (Canada) LLP and specifically Haddon Murray, Heather Fisher and James Aston represented CAIRP on this file.

CAIRP was recently granted leave to intervene before the Supreme Court of Canada, in the case of Piekut vs. Canada (Minister of National Revenue). The Attorney General of Ontario, the Attorney General of Quebec, His Majesty the King in right of the Province of British Columbia, as represented by the Minister of Finance, and the Canadian Alliance of Student Associations were also granted leave. CAIRP's Factum was submitted on June 10, 2024 and CAIRP has been advised the hearing has been scheduled for Tuesday, November 5, 2024.

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 they 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 new cases. During the period from April 1, 2023 to March 31, 2024, the committee received eight new complaints and closed four cases. As of March 31, 2024, there were nine active cases which are ongoing. For each of the four cases which were closed, the PCC found no misconduct by the members against whom these complaints were filed.

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

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 committee members listed below for the incredible work and valuable contributions they have made in 2023-24.

EDUCATION

The CQP Committee acknowledges the exceptional contribution made to the Committee's mandate by the subcommittee Chairs: Mark Wentzell, CPA, CA CIRP, LIT – BC (Chair, Exam Oversight Committee), Mike Braga, CIRP, LIT – ON (Chair Ip3 Exam Board, and Chair of (former) Core Knowledge Exam Board) and Naida Kornuta, FCIRP, LIT – SK and Lee Close, FCIRP, LIT – ON (Co-Chairs, 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 (ret.) - QC

Past Chair: Tim Carson, FCIRP (ret.), LIT - ON

Members:

- Simone Carvalho, CIRP, LIT - ON
- Andrew Dagleish, CPA, FCIRP, LIT - QC
- Michael Krieger, CIRP, LIT - ON

OSB Representatives:

- Paul Berry - NS
- Leanna Knox-Kinsman - ON

CNIE BOARD

Co-Chair: Lee Close, CPA, CA, FCIRP, LIT – ON

Co-Chair: Naida Kornuta, FCIRP, LIT – SK

Members:

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

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 (ret.) - QC
- Simone Carvalho, CPA, 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:

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

The CAIRP Education Programs could not run successfully without the significant contribution of time and talent of our amazing volunteers. We are so grateful for their continued support of the development of future insolvency professionals.

"I am very thankful for the hard work of all our volunteers, including the CQP committee members, and the CAIRP team, who have championed and implemented the CQP renewal. The new program speaks to CAIRP's strong commitment to continuously improve the CQP and candidates' experience in the program so that we can continue to produce highly trained members who can ensure the success of the profession well into the future. Thank-you to our strong and committed CQP committee members, who continue to dedicate their time to supporting this amazing program."



Vanessa Allen, CIRP, LIT

PROFESSIONAL DEVELOPMENT

Insolvency & Restructuring Forums Committee

- Kristin Gray, CPA, 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
- Vincent Guilbeault-Sauvé, LL.B., CIRP, LIT – QC
- Kristi Neilsen, CIRP, LIT – NB
- Marianne Ting, CIRP, LIT – BC
- Barbara Visentin, CIRP, LIT – ON

“We were very pleased with the return to in-person events in 2023 and the positive feedback from attendees. 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 2023 Exchange delivered great content and served as an energetic touchpoint and reunion for our members. Thanks to the many contributors for making this happen - the panelists, CAIRP staff, and fellow committee members.”

Stefano Damiani, CPA, CA, CIRP, LIT



CONSUMER PRACTICE

Chair:

- Chantal Gingras, FCIRP, LIT – QC

Board Liaison:

- Larry Crandall, LLB, CIRP, LIT – NB

Members:

- Noel Andrews, CFE, CIRP, LIT – NL
- Guylaine Houle, BCL, FCIRP, LIT – QC
- Virginie Comtois, CPA, CIRP, LIT – QC
- Mark Morgan, CPA, CA, CIRP, LIT – ON
- Josh Harris, BComm, MIB, CIRP, LIT – ON
- Pam Meger, CIRP, LIT – Sask
- Tanya Reynolds, CIRP, LIT – Man
- Frank Fabiano, CPA, CA, CIRP, LIT – AB

TARIFF REVIEW TASK FORCE:

Chair

- Wes Cowan, CPA, CA, CIRP, LIT – ON

Members

- Chantal Gingras, FCIRP, LIT – QC
- Guylaine Houle, BCL, FCIRP, LIT – QC
- Virginie Comtois, CPA, CIRP, LIT – QC
- Shane Pennell, B.Sc – ON
- André Bolduc, CPA, CA, FCIRP, LIT – ON
- Frank Fabiano, CPA, CA, FCIRP, LIT – AB
- Crystal Buhler, CPA, CA, CIRP, LIT – MB

“I want to acknowledge and applaud the efforts of the Consumer Practice Committee. They are passionate about advancing the consumer insolvency profession. This year they once again demonstrated their commitment to the industry through their efforts, sharing of their expertise and countless hours spent on responses to the consultations this past year. Their engagement is greatly appreciated. I would also like to thank the Tariff Review Task Force chaired by Wes Cowan for their excellent efforts in developing CAIRP’s Submission on LIT Remuneration.”



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

“On behalf of the members and as Chair of the Corporate Practice Committee, I would like to offer my sincere thanks to the committee members for their investment of time. This was another busy year for consultations on issues affecting our profession. The Corporate Practice Committee members made important contributions over the past year, including responses related to the applicability of T3 trust returns for LITs, the Fresh Produce Protection Act, and WEPP. The Corporate Practice Committee continues to actively represent the interests of our members.”



Jonathan Krieger, CPA, CA, CIRP, LIT

FINANCE

Chair:

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

Observer:

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

Members:

- Marla Adams, CPA, CA, FCIRP (ret.) - SK
- Samuel Gignac, CPA, CIRP, LIT - QC
- Derrick Hutchens, CIRP (ret.) - NL
- Alana Orrell, CPA, CA, CIRP, LIT - BC

"With the 2024-2028 Strategic Plan in place, the Finance Committee and management have been focussed on ensuring that the strategic priorities are properly resourced and actioned. CAIRP continues to demonstrate resiliency and creativity as it moves forward with volunteers and staff stepping up to allow the Association to deliver its important work. I would like to extend my personal thanks to the CAIRP 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
- 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

"This year we have seen a variety of cases presented to the committee. The most significant, are those because of measures taken by the Superintendent of Bankruptcy. The committee continues to work with our members to ensure the interests of all stakeholders in insolvency proceedings are effectively represented. The committee commends our members for running practices that are generally beyond reproach."



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

INTERVENTION

Chair:

- Jean-Daniel Breton, CPA, FCIRP (Ret.) - QC

Members:

- Christopher Galea, CPA, CA, CIRP, LIT - ON
- Phil Reynolds, CPA, CA, CIRP - ON
- Alain Tardif, BCL - QC
- Colleen Craig, CPA, CA, FCIRP, LIT - BC

"I would like to thank the members of the Intervention Committee for sharing their expertise during another busy year for interventions. Their dedication and commitment to the insolvency and restructuring community is commendable."

Jean-Daniel Breton, CPA, 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
- Braden Burritt, CIRP, LIT – AB
- Collin Legall, CPA, CMA, CIRP, LIT – MB
- Pamela Meger, CIRP, LIT – SK
- Colleen Craig, CPA, CA, FCIRP, LIT – BC

“With the state of the economy and the effects on individuals and businesses, CAIRP’s communication efforts are so important for keeping LITs top of mind when individuals and businesses are considering their options. Having a strong committee ensures that messaging is on point and gets out in a timely manner. It is truly a pleasure to work alongside the committee members ensuring our presence is consistent and strong.”

Mary Ann Marriott, CIRP, LIT



EDITORIAL ADVISORY BOARD

Chair:

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

Board Liaison:

- Zaki Alam, CPA, CA, CIRP, LIT – AB

Members:

- John Haralovich, CPA, CMA, CFE, CIRP, LIT – ON
- Jeremy Nemers, B.Comm., J.D. – ON
- Yves Patrice Beaudin, CIRP, LIT – QC
- Emmanuel Phaneuf, CIRP, LIT – QC
- Jeffrey Lee, Q.C. – SK
- Jennifer Mc Cracken, CIRP, LIT – BC

“The stated role of the Editorial Advisory Board is to consider submissions by authors for inclusion in Rebuilding Success. The reality is that the EAB uses its varied expertise to identify topics of interest to our readers and identifies potential authors. Anyone considering an article should feel free to submit it for consideration! After a number of enjoyable years, I will be stepping back from my role as Chair of the EAB this year. Thank you to the EAB for their time and effort and thank you to the staff at CAIRP for their support.”

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



HONOURS AND AWARDS

Nominating Committee Chair:

- Donna Collins, FCIRP (ret.) – MB

Board Liaison:

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

Members:

- Jean-Daniel Breton, CPA, FCIRP (ret.)
- Mark Rosen, LL.B, FCIRP – NS
- William (Bill) A. Courage, CPA, CA, FCIRP (ret.)
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
1980-81 Keith G. Collins, FCA, FCPA, FCIRP
1981-82 Ian K. Strang, FCA, FCPA, FCIRP
1982-83 C. Garth MacGirr, FCPA, FCA, FCIRP
1983-84 Donald J. Henfrey, FCPA, FCA, FCIRP
1984-85 Gary F. Colter, FCPA, FCA, FCIRP
1985-86 John J. Swidler, FCPA, FCA, FCIRP
1986-87 Beverly W. Fowler, CPA, CA, FCIRP
1987-88 Alan G. Driver, CPA, CA, FCIRP
1988-89 George B. Lomas, FCPA, FCA, FCIRP
1989-90 Terence M. McMullen, FCPA, FCA, FCIRP
1990-91 Jean-Guy Daoust, CPA, CA, FCIRP
1991-92 J. Alan MacKinnon, FCPA, FCA, FCIRP
1992-93 Uwe Manski, FCPA, FCA, FCIRP
1993-94 William J. Drake, FCPA, FCA, FCIRP
1994-95 Gilles Campeau, CPA, FCIRP
1995-96 Stephen H. Barnes, FCIRP
1996-97 Ralph W. Peterson, CPA, CA, FCIRP
1997-99 Robert O. Sanderson, FCPA, FCA, FCIRP
1999-01 Peter D. Wedlake, LL.B., FCIRP
2001-03 Larry W. Prentice, FCPA, FCA, FCIRP
2003-05 William (Bill) A. 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
2021-23 Jean-Daniel Breton, CPA, 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

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

Isabelle Gauthier
Assistant Director, Education Programs
and CQP Registrar

Renzo Libaque
Manager, Education Programs and Assistant Registrar

COMMUNICATIONS

Jovita D'sa
Manager, Communications

PROFESSIONAL DEVELOPMENT

Natalie Alfano
Director, Professional Development

Josephine Song
Events Assistant

Taylor Gregory
(Interim) Events Assistant

Treasurer's Report



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

On behalf of the Board of Directors, I am once again pleased to present CAIRP's audited financial statements. With the recent strategic review now complete and with the planned investment in the CQP renewal initiative nearing completion, the Association's financial position remains strong, with over \$2.1 million in net assets.

Although the budget for the year anticipated a small operating deficit, an operating surplus of \$59,867 was realized due to slightly better than expected enrolment in education programs and continuing education offerings, coupled with prudent asset and expense management and the hard work of our staff and the many volunteers who continue to generously contribute their time to assist the Association in achieving its objectives.

The following is a summary of the key highlights of CAIRP'S financial position and results of operations for the fiscal year ended March 31, 2024.

STATEMENT OF FINANCIAL POSITION

The Association's liquidity position remains strong, with cash and short-term investments totalling \$1,133,741 and a long-term investment portfolio of \$1,228,537.

Short-term investments are comprised of fixed income instruments with maturities within the next fiscal year, while the long-term investment portfolio is comprised of fixed income instruments with maturities following the next fiscal year and extending through to 2027.

The long-term investment portfolio decreased by \$552,604 as proceeds from investment maturities within the year were primarily utilized to fund the planned investment in the CQP renewal initiative and to invest in higher-yielding short term investments.

With collections remaining current, the only accounts receivable outstanding at year-end was the balance due from ARIL Society Inc. of \$107,067 as per the terms of the services agreement between the two parties, payment of which was received by CAIRP subsequent to year-end. Prepaid expenses decreased from \$169,022 to \$122,177 primarily due to deposits which were made just prior to the COVID-19 pandemic and which were realized with the return of the in-person Forums and Exchange events in the Spring and Autumn of 2023. Capital assets decreased from \$87,878 to \$58,654 as amortization outpaced the purchase of additional capital assets in the year. In addition, the Association negotiated an earlier office lease expiration with the property owner during the year, which further accelerated the pace of amortization of leasehold improvements.

Accounts payable and accrued liabilities decreased from \$282,376 to \$257,938 primarily due to an extension in the deadline for payment of the annual learning management system license fees last year which was not offered this year. Deferred revenue decreased from \$152,642 to \$138,122 primarily due to the return to the in-person CNIE tutorial in June 2023, registration for which opened in March 2023.

The 2024 tutorial will be offered through virtual sessions and does not require the same extent of lead time to address the venue particulars, which resulted in an opening registration date subsequent to fiscal year-end.

STATEMENT OF OPERATIONS

Revenue increased significantly, from \$1,896,918 last year to \$2,295,086 primarily due to the return of the in-person Forums and Exchange event in 2023 following the pandemic, coupled with increased enrolment in the CQP program as newly launched elements of the program were introduced. In addition, investment income increased over the prior year as interest rates continued to rise in June and July of 2023, affording higher returns on idle cash invested in the short term.

Slightly offsetting these favourable revenue developments, advertising revenue decreased slightly as organizations continue to assess opportunities to promote their services at the recently reintroduced live events relative to online advertising opportunities. 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, the impact of which was mitigated by an increase in the volume of articling associates and slight growth in volume of Insolvency Administrator associates.

Total operating expenses increased from \$1,904,014 last year to \$2,235,219 primarily due to costs incurred to support the return of the in-person Forums and Exchange events, as well as the in-person CNIE tutorial in June 2023. To a lesser extent, administration expenses increased as well, as detailed in the Statement of Administration Expense section included further below.

Despite having anticipated an operating deficit in the approved budget, the Association ended the year with an operating surplus of \$59,867.

STATEMENT OF CHANGES IN NET ASSETS

The operating surplus of \$59,867 generated a corresponding increase in unrestricted net assets.

Net assets internally restricted for strategic education program investments decreased by the year's investment in

CQP renewal of \$442,448, leaving \$253,337 in restricted net assets to support the balance of this important initiative, which is anticipated to conclude by next fiscal year-end.

At the beginning of the year, CAIRP's strategic review was concluded, with the balance of this internally restricted fund now fully utilized. The strategic review has and will continue to inform the business planning process and identification of initiatives over the next four years to further strengthen the value of the Association.

STATEMENT OF CASH FLOWS

The net increase in cash during the year of \$2,360 was primarily the result of a net draw from investing activities of \$391,134, which almost entirely offset the \$392,072 of cash used to finance operating activities, coupled with a small net repayment of advances to ARIL of \$3,298. The net draw from investing activities was primarily comprised of investment maturities which were not reinvested in order to finance CQP development as indicated on the Statement of Operations.

STATEMENT OF ADMINISTRATION EXPENSE

Total administration expense increased from \$1,788,271 to \$1,826,808 primarily due to increased consulting fees and higher spending in communications and office administration, most of which were contained by decreased salaries and office rent costs.

Consulting fees were higher as the Director, Education Programs position transitioned from a salaried position to an interim, consulting role. Communications costs increased as media relations campaign activities were expanded, as the Association began to invest in search engine optimization (SEO) activities, and as the virtual platform to deliver the AGM could no longer leverage the continuing education virtual platform as the in-person events resumed. Office administration costs were higher due to growth in credit card fees driven by growth in revenue, as well as investments in cybersecurity insurance and monitoring capabilities.

The decrease in salaries cost was the result of the transition to consultant in the role of the Director, Education Programs positions as described above. Office rent was

lower than the prior year due to the execution of a lease amendment with the property owner to vacate the existing office premises in June 2025 instead of August 2027, for which the Association was granted a financial incentive. The Association is currently working to secure an office with a smaller footprint at lower annual cost.

The annual honoraria payment totalling \$49,000 remains unchanged from the prior year, and 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 over \$2.1 million in net assets. The portion of net assets restricted for strategic program investments have been confirmed as sufficient to address the balance of work on the CQP renewal initiative, leaving almost \$1.9 million in unrestricted net assets to continue to support future operations.

The board of directors remains confident that the level of net assets is sufficient to achieve the Association's long-term objectives as outlined in CAIRP's 2024-2028 Strategic Plan and to mitigate the risk of any unforeseen business challenges.

I want to personally express my gratitude to the CAIRP management staff and in particular Steve D'Alessandro and Anne Wettlaufer for the work they carry out on behalf of the Association. To the CAIRP Executive and Finance Committee I want to thank you for all of your efforts and commitment to the industry. It was an honour to work with you this past year as we started to deliver on CAIRP's 2024-2028 Strategic Plan.

I am pleased to report that CAIRP's financial results for the first quarter of fiscal 2024-25 are tracking ahead of plan, with good financial performances from the regional Forums and the newly completed CQP program along with our other education programs.

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, 2024

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, 2024, 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, 2024, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the 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 13, 2024

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	2024 \$	2023 \$
ASSETS		
Current assets		
Cash	153,273	150,913
Investments (note 3)	980,468	801,714
Due from ARIL Society Inc. (note 12)	107,067	100,183
Prepaid expenses	122,177	169,022
	<u>1,362,985</u>	<u>1,221,832</u>
Investments (note 3)	1,228,537	1,781,141
Capital assets (note 4)	58,654	87,878
	<u>1,287,191</u>	<u>1,869,019</u>
	<u>2,650,176</u>	<u>3,090,851</u>
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities (note 5)	257,938	282,376
Deferred revenue	138,122	152,642
	<u>396,060</u>	<u>435,018</u>
Special Reserve for Lloyd Houlden Memorial Research Fellowship (note 6)	86,175	75,993
Deferred lease incentives (note 7)	32,732	51,674
	<u>118,907</u>	<u>127,667</u>
	<u>514,967</u>	<u>562,685</u>
NET ASSETS		
Invested in capital assets	25,922	36,204
Internally restricted for strategic education program investments (note 8)	253,337	695,785
Internally restricted for strategic review (note 9)	-	10,376
Unrestricted	1,855,950	1,785,801
	<u>2,135,209</u>	<u>2,528,166</u>
	<u>2,650,176</u>	<u>3,090,851</u>

The accompanying notes are an integral part of these financial statements

Approved on behalf of the Board:



André Bolduc, CPA, CA, 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	2024	2023
	\$	\$
Revenues		
Membership fees	1,112,025	1,113,875
CQP course and examination fees	459,150	379,825
Continuing education seminar and webinar fees and sponsorship	268,589	150,650
Management fees (note 12)	184,100	170,000
Exchange Conference fees and sponsorship	184,047	-
Investment income (note 10)	75,826	67,203
Advertising	11,349	15,365
	<u>2,295,086</u>	<u>1,896,918</u>
Expenses		
Administration (see schedule)	1,826,808	1,788,271
CQP courses and examinations	167,101	108,712
Continuing education	161,999	7,031
Exchange Conference	79,311	-
	<u>2,235,219</u>	<u>1,904,014</u>
Excess of revenues over expenses (expenses over revenues) before the following	<u>59,867</u>	<u>(7,096)</u>
CQP development (note 8)	(442,448)	(234,596)
Strategic review (note 9)	(10,376)	(39,624)
	<u>(452,824)</u>	<u>(274,220)</u>
Excess of expenses over revenues for year	<u>(392,957)</u>	<u>(281,316)</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**

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 \$	2024 Total \$
Balance, beginning of year	36,204	695,785	10,376	1,785,801	2,528,166
Excess of revenues over expenses (expenses over revenues) for year	-	(442,448)	(10,376)	59,867	(392,957)
Amortization of capital assets	(31,596)	-	-	31,596	-
Purchase of capital assets	2,769	-	-	(2,769)	-
Disposal of capital assets	(397)	-	-	397	-
Amortization of deferred lease incentives	18,942	-	-	(18,942)	-
Balance, end of year	25,922	253,337	-	1,855,950	2,135,209

The accompanying notes are an integral part of these financial statements

**CANADIAN ASSOCIATION OF INSOLVENCY AND RESTRUCTURING
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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 restriction (note 9)	-	-	50,000	(50,000)	-
Balance, end of year	36,204	695,785	10,376	1,785,801	2,528,166

The accompanying notes are an integral part of these financial statements

**CANADIAN ASSOCIATION OF INSOLVENCY AND RESTRUCTURING
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Statement of Cash Flows

Year ended March 31	2024	2023
	\$	\$
Cash flows from operating activities		
Excess of expenses over revenues for year	(392,957)	(281,316)
Adjustments to determine net cash provided by (used in) operating activities		
Amortization of capital assets	31,596	26,573
Interest capitalized on investments	(41,392)	(32,976)
Receipt of prior year interest capitalized on investments	21,736	94,587
Amortization of deferred lease incentives	(18,942)	(11,700)
	(399,959)	(204,832)
Change in non-cash working capital items		
Decrease (increase) in prepaid expenses	46,845	(38,464)
Increase (decrease) in accounts payable and accrued liabilities	(24,438)	96,240
Increase (decrease) in deferred revenue	(14,520)	131,943
	(392,072)	(15,113)
Cash flows from investing activities		
Purchase of investments	(1,000,000)	(3,300,000)
Proceeds from disposal of investments	1,393,506	3,443,694
Purchase of capital assets	(2,769)	(2,965)
Proceeds on disposal of capital assets	397	586
	391,134	141,315
Cash flows from financing activities		
Repayment from (advances to) ARIL Society Inc.	3,298	(63,008)
Net change in cash	2,360	63,194
Cash, beginning of year	150,913	87,719
Cash, end of year	153,273	150,913

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	2024 \$	2023 \$
Amortization of capital assets	31,596	26,573
Audit, legal and consulting	153,061	79,428
Director honoraria (note 11)	49,000	49,000
Committee expenses	14,665	7,361
Insol International	45,444	41,854
Communication (note 12)	187,088	157,057
Office, printing, postage, courier and sundry (note 12)	184,373	167,911
Rent (note 7)	98,669	127,408
Salaries and benefits	1,062,912	1,131,679
	1,826,808	1,788,271

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, 2024

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.

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.

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.

Exchange Conference

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

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

Notes to Financial Statements (continued)

March 31, 2024

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, 2024

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 or exchanged 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 assets, at amortized cost.

Related party financial assets 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, 2024

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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March 31, 2024

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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March 31, 2024

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:

	2024	2023
	\$	\$
Cash	153,273	150,913
Due from ARIL Society Inc.	107,067	100,183
Investments	2,209,005	2,582,855
	<u>2,469,345</u>	<u>2,833,951</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, 2024

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

	2024	2023
	\$	\$
Canadian fixed income	2,209,005	2,582,855
Less: current portion	(980,468)	(801,714)
	<u>1,228,537</u>	<u>1,781,141</u>

Interest rates on fixed income investments range from 1.13% to 4.95% (2023 - 1.13% to 3.35%) and maturities range from June 2024 to November 2027 (2023 - November 2023 to November 2027).

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4. Capital assets

	Cost	Accumulated Amortization	2024 Net
	\$	\$	\$
Computer equipment	204,795	193,328	11,467
Furniture and fixtures	91,437	81,180	10,257
Leasehold improvements	416,393	379,463	36,930
	<u>712,625</u>	<u>653,971</u>	<u>58,654</u>
	Cost	Accumulated Amortization	2023 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>

During the year, computer equipment with a cost of \$567 (2023 - \$2,930) and accumulated amortization of \$170 (2023 - \$2,344) was disposed of for proceeds of \$397 (2023 - \$586), resulting in neither a gain nor loss being realized on the disposition.

5. Accounts payable and accrued liabilities

	2024	2023
	\$	\$
Trade payables and accrued liabilities	252,667	271,953
Government remittances	5,271	10,423
	<u>257,938</u>	<u>282,376</u>

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6. Special Reserve for Lloyd Houlden Memorial Research Fellowship

	2024	2023
	\$	\$
Balance, beginning of year	75,993	55,279
Contributions (note 12)	10,182	20,714
Balance, end of year	<u>86,175</u>	<u>75,993</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 2024 or fiscal 2023.

7. Deferred lease incentives

	Cost	Accumulated Amortization	2024 Net
	\$	\$	\$
Tenant inducements	103,348	70,616	32,732

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

During the year, the Association amended the terms of its premises lease as described in note 13. The useful life of tenant inducements was adjusted to reflect the amended lease term.

Amortization of lease incentives in the amount of \$18,942 (2023 - \$11,700) was credited to rent expense in the current year.

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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 \$442,448 (2023 - \$234,596) 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.

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 utilization of \$10,376 (2022 - \$39,624) from net assets internally restricted for strategic review for the purposes of strategic planning, effectively reducing the net assets internally restricted for strategic review to nil.

During the prior year, the Board of Directors approved the transfer of \$50,000 from unrestricted net assets to net assets internally restricted for strategic review

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

10. Investment income

	2024	2023
	\$	\$
Interest from cash	6,891	2,892
Interest from investments	68,935	64,311
	<u>75,826</u>	<u>67,203</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.

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12. Related party transactions

The Association is related to ARIL Society Inc. (the "Society"), by virtue of significant inter-organizational 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 administers the Annual Review of Insolvency Law conference.

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

The Association entered into an agreement with the Society to provide management, administrative and support services to the Society (the "Agreement"). The Agreement expired March 31, 2024, and included 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:

	2024	2023
	\$	\$
Management fees (including \$9,100 for additional services)	184,100	170,000
Financial services fees (credited to office, printing, postage, courier and sundry expense)	10,114	10,127
Sponsorship (included in communication expense)	(25,000)	(25,000)

Contributions receivable from the Society to the Lloyd Houlden Memorial Research Fellowship in the amount of \$10,182 (2023 - \$20,714), are recognized as deferred contributions (note 6).

As at March 31, 2024, there is a balance due from the Society in the amount of \$107,067 (2023 - \$100,183). The balance is unsecured, non-interest bearing and due on demand.

Subsequent to year end, the balance due from the Society was received, with the exception of the Lloyd Houlden Memorial Research Fellowship contribution, in the amount of \$10,182, which will be settled upon finalization of the audited financial statements of the Society for the year ended March 31, 2024.

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12. Related party transactions (continued)

Subsequent to year end, the Association and the Society extended the Agreement to March 31, 2027. The management fee will be \$182,000 for fiscal 2025, and will increase in fiscal 2026 and fiscal 2027 to account for inflation, as per the Average Annual Consumer Price Index reported by Statistics Canada.

13. Commitment

During the year, the Association amended its premises lease to accelerate the expiration date from August 2027 to June 30, 2025, in exchange for reduced lease payments until expiration.

The future annual lease payments, including an estimate of premises common area expenses, are as follows:

	<u>\$</u>
2025	88,258
2026	<u>22,065</u>
	<u>110,323</u>

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