

PIVOT



CPA
CANADA

NOVEMBER/DECEMBER 2023



**Michael Pickup
is leading by
example as B.C.'s
auditor general**

LIFE LESSONS



**THE AI-INFUSED
FUTURE OF AUDIT**

**A CPA'S JOURNEY
THROUGH CANCER
TREATMENT**

**KEEPING FINANCIAL
LITERACY
IN THE FAMILY**



**BE BOLD.
BE BOUNDLESS.**

The surest way to increase your professional value is with a Chartered Business Valuator designation. Becoming a CBV gives you a wide range of new opportunities to create, measure and protect value for companies across the business spectrum. The financial advisory world is competitive, and the CBV designation sets you apart. No matter how you choose to use your valuation expertise, becoming a CBV spells success. **Learn more at cbvinstitute.com/BeBold**



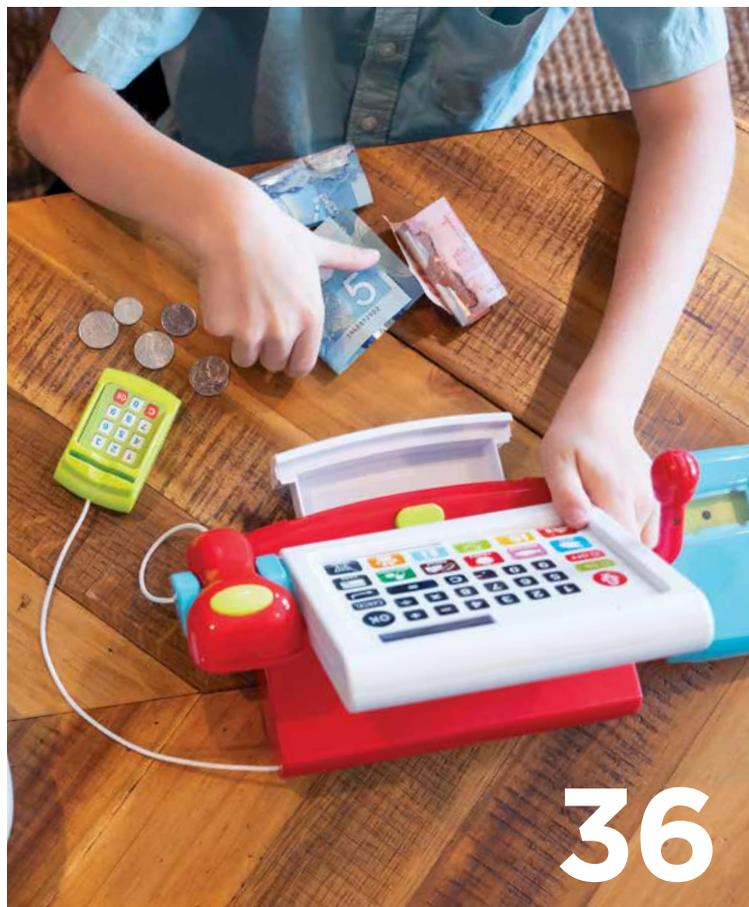
EXCLUSIVE ONLINE CONTENT

CPACANADA.CA/NEWS

- Compensation: What do younger generations want?

- Meet three CPAs whose jobs point the way to the future

- How to create a speak-up culture in your organization



FEATURES

18 | Breaking through

As a member of the Miawpukek First Nations and part of the LGBTQ2SIA+ community, B.C. auditor general Michael Pickup hopes to create a legacy of diversity and inclusion. **BY ANYA LEVYKH**

24 | Keeping up

With the “expectation gap” widening each year, how will auditors grapple with growing tech and ESG concerns? **BY ALI AMAD**

30 | Changing the face of cancer

CPA Jasmine Marcoux’s breast cancer changed her life, but helped her find a new purpose. **BY MANON CHEVALIER**

36 | Bright future ahead

Financial literacy for youth is an important issue across Canada and these CPAs are ensuring their kids are prepared for the future. **BY ROB CSERNYIK**

PHOTOGRAPH BY DARREN CALABRESE



ON THE COVER
PHOTOGRAPH BY VISHAL MARAPON

4 | From the CEO

FIRST IN

6 | Letters

8 | Leading by example

11 | Counting the days

12 | The Economist

14 | Mind for money

15 | New cons, frauds and scams

16 | Media malaise

LAST OUT

43 | Proto’s type

46 | B.C. bistros

48 | Recapture the past

50 | Book Value

52 | Twitter’s turmoil

53 | Natural order

54 | The latest must-read, must-watch and must-listen

58 | Boardroom brawler

WHAT DO YOU THINK?

Send your input to the editor at pivot.letters@cpacanada.ca. If your letter is chosen for publication, it may be edited for length and clarity.

LEADERSHIP THROUGH ADVERSITY REQUIRES COLLABORATION

The profession is evolving and so too must leaders **BY PAMELA STEER**



We must face our collective future together—as a united profession—to advance our credibility and influence at the local, national and global scale. There is a need and a place for true leadership at all three levels.

Ahead of The ONE conference in September, CPA Canada hosted a member information session where I had the privilege of hearing first-hand from members concerned about the impact of the withdrawal of two provinces from the Collaboration Accord on themselves as well as on the future of the profession as a whole.

It is true that we are all facing tremendous uncertainty right now, but I was inspired by the theme of resilience from my fireside chat with Rose Marcario, former CEO of Patagonia, a position attained through the CFO route (and the subject of our cover feature in the September edition of *Pivot*).

As a long-time climate champion, she serves as a role model for CPAs interested in seizing uncertainty

I spent some time at The ONE conference in Halifax reflecting on this year's theme “the Evolution of the Enterprise”; it seems particularly poignant as we navigate change and uncertainty on a number of fronts—both within the profession and the world around us.

I spoke with CPAs from across the country about the challenges they face—from navigating technological changes to the coming sustainability standards aimed at helping to track climate-related business risks and opportunities.

WE MUST FACE OUR FUTURE TOGETHER, TO ADVANCE OUR INFLUENCE LOCALLY, NATIONALLY AND GLOBALLY

Those conversations really drove home how truly national and global our profession is—a sole practitioner in Truro, N.S. is impacted by the same national and global trends as a CPA working at one of the big firms in Vancouver.

That is why the profession cannot start and end in any one particular region of this increasingly interconnected world.

to create positive change. She is living proof that business acumen and sustainability can together create a success story.

She painted a stark picture of the urgency needed to address the existential threat of climate change and the opportunity for CPAs to lead the business community toward a more sustainable future.

“The world is changing and people want business to take the role of being an advocate for a better world,” she told me and the audience at The ONE Conference.

“The businesses that do this will be the brands of the future, the ones that will be on our lips in 20 years.”

We all want CPAs to be a part of that success story two decades from now and we want a new generation of CPAs to be leading in ways we haven’t even envisioned. We want to tell our children that we used our time to dedicate our best collective thinking to complex and global challenges—that we helped lay the groundwork through our work on climate disclosures and that we did so together.



As closing keynote speaker, Lital Marom so eloquently put it: “Winning teams get to the finish line together, not in silos.”

My experiences at The ONE conference—from hearing from my Atlantic CEO counterparts about the urgency of attracting new CPAs to fill gaps of an aging workforce to an awe-inspiring speech from Tareq Hadhad about overcoming adversity through the power of focus—steeled my resolve to do everything in my power to maintain a Canadian accounting profession with one clear objective: serving you, our members. The profession begins and ends with you. ♦

PIVOT

VOLUME 6 | ISSUE 6

EDITOR Paul Ferriss
FRENCH EDITOR Mathieu de Lajartre
SENIOR EDITOR Alex Correa
SENIOR ART DIRECTOR
 Adam Cholewa
ART DIRECTOR
 Cindy Lubinic
DIRECTOR OF PHOTOGRAPHY
 Rachel Wine
ASSOCIATE EDITOR Anya Levykh
MANAGING EDITOR
 Cassandre Cadieux
COPY EDITOR Kelly Jones
CONTRIBUTORS
 Corrina Allen, Ali Amad,
 Tayo Bero, Brian Bethune,
 David-Alexandre Brassard,
 Steve Brearton, Mashal Butt,
 Darren Calabrese, Manon Chevalier,
 Agatha Cinader, Rob Csernyik,
 Natahn Cyprys, Stephanie Foden,
 Rebecca Gao, Stacy Lee Kong,
 Sarah Laing, Emily Latimer,
 Vishal Marapon, Kagan McLeod,
 Alethea Ng, Chris Powell,
 Andrew Raven, Rémi Thériault,
 Doretta Thompson, May Truong

PUBLISHER
 CPA Canada
ASSOCIATE PUBLISHER
 Douglas Dunlop
MEDIA SALES DIRECTOR
 Nicole Mullin
 nicole.mullin@stjoseph.com
**ADVERTISING SALES,
 ACCOUNT REPRESENTATIVE**
 Karen Kahnert
 karen.kahnert@stjoseph.com
TRANSLATION
 CPA Canada Language Services
DIRECTOR, LANGUAGE SERVICES
 Karine St-Onge
EDITORIAL ADVISORY BOARD
 CHAIR:
 John Redding, CPA, CMA
 MEMBERS:
 Maury K. Donen, CPA, CMA
 Debra J. Feltham, FCPA, FCGA
 Caroline Garon, CPA, CGA, CAFM
 Jason R. Kwiatkowski, CPA, CA,
 CBV, ASA, CEPA
 Ashley Lowe, CPA, CA



For every ton of paper used in the printing of this magazine, 53C's Partners in Growth® program will plant a tree through Trees for Life Canada.



Pivot is published six times a year by Chartered Professional Accountants of Canada in partnership with St. Joseph Communications. Opinions expressed are not necessarily endorsed by CPA Canada. Copyright 2023.

TORONTO
 277 Wellington St. W., M5V 3H2,
 Tel. (416) 977-3222,
 Fax (416) 204-3409
MONTREAL
 2020 Robert-Bourassa Blvd,
 Suite 1900, H3A 2A5,
 Tel. (514) 285-5002,
 Fax (514) 285-5695

SUBSCRIPTION INQUIRIES
 Tel. (416) 977-0748 or 1-800-268-3793
 pivot.subscriptions@cpacanada.ca
ONLINE
 cpacanada.ca/pivotmagazine
ADVERTISING
 advertising.pivotmagazine@cpacanada.ca

Additional annual subscriptions are available at the following rates: members, \$32; students, \$45; non-members, \$55. Single copy, \$5.50. Outside Canada: \$89 for a one-year subscription; \$8.90 for a single copy. GST of 5% applies to all domestic subscriptions. For subscription inquiries, call (416) 977-0748 or 1-800-268-3793 from 9 a.m. to 5 p.m., Monday through Friday; fax: (416) 204-3416. GST registration number 83173 3647 RT0001. Publications Mail Agreement No. 40062437. Printed in Canada. ISSN 2561-6773. Return undeliverable Canadian addresses to the Toronto address above. PIVOT is a member of the Canadian Business Press and Magazines Canada. All manuscripts, material and other submissions sent to PIVOT become the property of PIVOT and the Chartered Professional Accountants of Canada, the publisher. In making submissions, contributors agree to grant and assign to the publisher all copyrights, including, but not limited to, reprints and electronic rights, and all of the contributor's rights, title and interest in and to the work. The publisher reserves the right to utilize the work or portions thereof in connection with the magazine and/or in any other manner it deems appropriate. No part of this publication can be reproduced, stored in retrieval systems or transmitted, in any form or by any means, without the prior written consent of PIVOT.

STRATEGIC CONTENT LABS

VICE-PRESIDENT CLIENT SOLUTIONS, MEDIA & CONTENT
 Cameron Williamson
VICE-PRESIDENT, MARKETING & BRANDED CONTENT
 Sasha Emmons

DIRECTORS, CONSUMER MARKETING
 Lenny Hadley, Janet Palmer
VICE-PRESIDENT, PRINT OPERATIONS Maria Mendes
PRODUCTION MANAGER
 Joycelyn Tran

A DIVISION OF ST. JOSEPH COMMUNICATIONS
 CEO Tony Gagliano

United we stand...

As an FCPA in Ontario and Canada, I would like to see unity maintained within the accountancy profession. The internal dialogue between provincial and national organizations must be resolved in a cohesive and stable way, one that reflects one voice of strength. The age-old saying “united we stand, divided we fall” is true. In this age of competition and change, stability in the professional and financial environments impacted by accountancy as a key leader of economic growth and added value is top of mind. We must stay united. This issue is so much bigger than the dialogue being held. The vision for the future of a united profession and the value we add and innovation we bring to the Canadian economy is paramount!

—Charles H. Fisher, BA, FCPA
Sarnia, Ont.

Regarding CPA Ontario’s and CPA Quebec’s decision to leave the collaboration accord, CPA Canada should not be looking to find a way to make the new structure work, they

should be fighting tooth and nail to prevent it from happening, including legal avenues. A poll of all members should be conducted to determine who supports and who opposes actions taken by Ontario and Quebec, including members in those two provinces. You know who they are.

—David Selley, FCPA, FCA (retired)
Toronto, Ont.

As a retired CPA my say on the subject of covered in your Pivot article may be less significant than an active member, but I can’t help but wonder what the problem is with the system as it is now.

—John Puderak, CPA (retired)
Saskatoon, Sask.

I read with some horror that Ontario and Quebec were thinking—or have already decided—to withdraw from CPA Canada. I have said this many times before: We need a unified profession and, indeed, a national unity initiative in many other disciplines and fields of knowledge in this country.

Canada is a federation. It needs co-operation to work together or else it doesn’t work. I hope this issue can be resolved for both the good of our valued CPA profession as well as the country as a whole. I plead for all parties to co-operate and work together, and that CPA Canada can work hard to achieve unity of all our CPA provincial partners.

—Dale A. Briske, CPA, CA
Edmonton, Alta.

Back in the 1980s, the Ontario Institute of Chartered Accountants proposed a course of action on an issue that, indirectly, would allow it to control the profession in Canada. I recall the board in Alberta, of which I was a member, being concerned with the proposal. At the risk of being considered paranoid, it seems to me that Ontario (now with Quebec) is once again trying to control the accounting profession in Canada. This initiative should be resisted.

—Morley Hirsch, FCPA, FCA
Vancouver, B.C.

**WANT TO
MAKE THIS
TAX SEASON
YOUR LAST?**

Our **HEAD START** Program
Will Make It Happen!

DELIVERING RESULTS - ONE PRACTICE AT A TIME

Sonia Albert
sonia@aps.net
1 877 606-8622

Alan M. Liverman
alan@aps.net
514 819-8088



**ACCOUNTING
PRACTICE SALES**
THE GLOBAL LEADER IN PRACTICE SALES

www.APS.net

Simplifying your workflows

- ✓ The time-saving power of the Xero Ledger
- ✓ The seamless integration with TaxCycle
- ✓ Automated document management with Hubdoc



Scan to learn more



FIRST IN

PURPOSE DRIVER

THE MATRIARCHAL TAX FIRM

How CPA Alicia Fowler is following her instincts to create a women-led tax firm that thrives on intuition and open communication **BY EMILY LATIMER**

Spring of 2020 was a time of great social change: the killing of George Floyd sparked protests against police brutality, while Indigenous activists and allies rallied to protect land and natural resources in Canada. Alicia Fowler, a CPA based in Edmonton, Alta., watched these historic movements unfold from home while caring for her two children, then two and seven. She had recently taken a leave of absence from her career in public accounting at a large national firm. It just wasn't working—there was no flexible work policy in place, and she struggled to manage her kids, her home life and her job.

In a time of social unrest, Fowler had an epiphany. The world was changing—social inequalities were at the forefront of public consciousness—and she wanted to do more than just save rich people tax dollars. She wanted to support women entrepreneurs and businesses committed to making a social impact. Fowler did some research and found a gap: there were business leaders looking for accounting support that resonated with their social impact mission, overseeing a team of people who faced similar systemic barriers.

In January 2021, Fowler landed a \$115-million freelance project from a private equity firm. She recruited two other CPAs, moms who were also at home with their kids, and they went to work. It was a success (and a lot of fun), so she registered a firm: MOD Accounting and Tax, a women-led virtual tax firm with a head office in Edmonton.

Since then, Fowler has grown her team to eight members, amassed more than 60 clients and doubled revenue each year with no marketing spend. “It’s just us existing in this space and people finding us because women want to work with other women,” Fowler says. Her women-driven business ethos has earned her an Ember Award for Community Champion of the Year and, last year, she was nominated for an award by Alberta Women Entrepreneurs.





What does a feminist tax firm look like?

A feminist approach is inclusive and nurturing. That's an important foundation at MOD. We take care of ourselves, our teams, our communities, and our clients. And we do it in a way that isn't just about the numbers. We're really focused on building relationships with the clients we support and bringing them into our herd. We see ourselves as a herd of elephants—elephants form matriarchal societies to ensure the survival of the group. We make decisions together, and we head in the same direction in tandem. It's a collaborative environment and we're big on communication. Some traditional accounting firms are too top-down: there are a few decision-makers, and everyone else falls in line. Whether or not you agree with the decision, there are not many opportunities to push back, ask questions or be curious about why things are the way they are.

I wanted something different, so we hold regular team calls with a set agenda that include conversations on social impact. It's important to make sure everybody feels connected to our bigger reason. Sure, we're paying tax returns, but really, they're here because they want to make a difference. As a team leader, it's important for me to be open to feedback. Because we're remote, being a good communicator is paramount. Our employee handbook says you must show up to conversations with bravery and be open to tough conversations.

The pandemic brought in conversations about the need for flexibility at work. How do you approach work-life balance at your own firm?

I left work because I had two little kids at home and no childcare options at the time. It remains a founding concept in our firm that women deserve to be at work. Just because you have kids or other caregiving responsibilities doesn't mean you can't contribute in a meaningful way. We accommodate all sorts of flexible work [and childcare] arrangements. One team member lost her childcare, but we recognized the value she brought to the team, so we reduced her work hours to 10 each week.

We can't be a cohesive team without flexibility. It's an old-school concept to think that employees are going to abuse flexible work policies. If you need time, take the time. Honestly, nobody abuses it. In reality, we just need space to take our kids to the doctor, or whatever else pops up. Our whole team is trying to create a work environment that we always wished we'd had. We're all hard workers. We're all committed. We just couldn't fit the mould before because other people were telling us that our lives fell outside of that dated concept of a nine-to-five.

**I'VE NEVER INTENDED TO BE A DISRUPTOR. BUT JUST BY ACKNOWLEDGING THERE IS INEQUALITY IN THE INDUSTRY, THAT IS DISRUPTIVE.****What's your ethos when it comes to how you conduct business?**

All of our decisions are rooted in our values. We have a strict client-acceptance process. When a client comes to us, we go through a rigorous interview process so they can get to know me, and I can get to know them. If we feel it's a good fit and that their business is working for greater change, then we consider working together. It's also important that what we're doing as a women-led tax firm resonates with them, and their business's social impact resonates with us. While profit is important, we like to see that there's some purpose greater than profit.

We're mindful when it comes to hiring, too. We want candidates with similar values—that concept of purpose and profit being tied together. Without the drive toward social impact, or making an impact with the work you're doing, it wouldn't be a good fit. We really care about our clients and we really advocate for them, so we want employees who believe in our purpose.

Do you see your company as a disruptor in the traditional field of accounting?

We are a traditional accounting firm in that we offer traditional services—corporate tax, financial reporting, bookkeeping—that's all very normal. But we are a feminist tax firm. Even just saying feminist things can get strong reactions from the accounting community. Some accounting firms are very old school. It's almost an old boys' club, where most of

the partners or decision-makers are men. That was the environment that I found myself in.

I've never intended to be a disruptor, but I think just by being a team of only feminist women and wanting equal opportunity, while acknowledging that there is inequality in the industry—that is disruptive. But we do it because we know that women have way less access to capital, we know that they have way less financial literacy, we know that they're not sitting at the decision-making table. We want to help empower ourselves first, and then the women around us, to become comfortable having those conversations when they need to.

You rely on intuition to guide your business. How does that factor in?

I always tell clients to trust their gut. You always know the answer. Even if it's very simple tax stuff, like, can I claim this deduction? I say, let's take a step back. How do you feel about that? Let's start there, and then we can use the facts to back it up. But we always know the answer. The numbers, financial information, or tax law will support it.

We make decisions all the time. You can't have a successful business without relying on your gut or what you feel within you to be true. Start with how it makes you feel. And if it makes you feel gross, we can figure out why that is. Is it because you have shame around this? Is it because you don't understand the numbers? Or is it because you know that buying a new business or launching a new venture is actually misaligned with your values? Using my intuition is how I operate in the world. The business world is no different.

I think there's room to build intuition into bigger firms, too. It could be as simple as hosting strategic sessions to talk about policies and procedures, and how they impact employees. If you're reading a policy and it makes you feel yucky, maybe it needs to change. I'm a Gen X-er, but this whole new generation is so emotionally intelligent, all decisions are going to start with whether or not they are living in integrity. That's the world we're moving into. If you don't have the language, and if you don't have that emotional intelligence, I don't think you're going to be successful in business. ♦

WORKING FOR THE (LONG) WEEKEND



The four-day work week, long favoured by unions and health practitioners, is gaining traction. Research says it increases productivity and helps retain employees, although there are some cons. **BY STEVE BREARTON**

In 2022, nearly 3,000 workers across more than 60 U.K. companies and non-profits shifted to a four-day work week. Following the six-month trial, 92 per cent of firms were continuing or planning to continue, and a further four per cent were leaning toward continuing. Among other results:



39%

Employees who were less stressed at the end of the trial. Seventy one per cent had reduced levels of burnout.



54%

Employees who said it was easier to balance work with household tasks.



35%

Average increase in revenue over the trial periods, compared to similar periods from the previous year.

“Like, is this really a reality? I had to pinch myself. After I got over the initial, ‘Yes, I’m excited,’ it was like, ‘But wait, how are we going to do this effectively and efficiently?’”

—Meredith Nebel, account director at PRAXIS, a Toronto marketing communications agency that launched a four-day work week in October 2022.

Nine of ten senior managers support



A 2023 survey of Canadian senior managers by recruitment firm Robert Half found 91 per cent support the idea of a reduced work week.

But not everyone agrees that this is the ideal work scenario moving forward.

56% Number of employees who, after six months of a four-day work week, voted to continue the program, according to a 1977 study by Myron Fottler.



“I worry a lot about creating even longer, more hectic days, with spillover effects on the three days off, like spending the first half of that fifth day cleaning up your inbox.”

—Constance Hadley, Boston University Questrom School of Business lecturer.



Montreal's new light rail system connects the city to the suburbs

THE ECONOMIST

ARE YOU READY FOR A FREE RIDE?

Public transit systems across Canada are broken. It's only fair to end the fare.



DAVID-ALEXANDRE BRASSARD

Montreal recently launched its Réseau express métropolitain (REM), a light rail rapid transit system linking the city's southern suburbs to the downtown core. The project is the result of a partnership between an institutional investor (Caisse de dépôt et placement du Québec) and the Quebec government, with a financial contribution from Hydro-Québec, a Crown corporation. This type of alliance has yet to prove its worth, but it shows that public transport projects can be designed differently.

A struggling industry

However, this launch comes at a difficult time for public transit. Since the pandemic, the number of urban public transit trips in Canada has fallen by 20 per cent, and even by 30 per cent per person if we factor in population growth. The result is a

25

Percentage of user contributions to transit revenues in Montreal and Vancouver

13 per cent drop in revenues between June 2019 and June 2023, while expenses, due to inflation, have risen by 15 per cent over the same period.

With declining ridership, user contributions to transit budgets have also fallen, accounting for just over 25 per cent of revenues in Vancouver and Montreal. Only Toronto has managed to stabilize this contribution at 40 per cent, and then only by increasing fares at a rate of 35 per cent above inflation over 35 years.

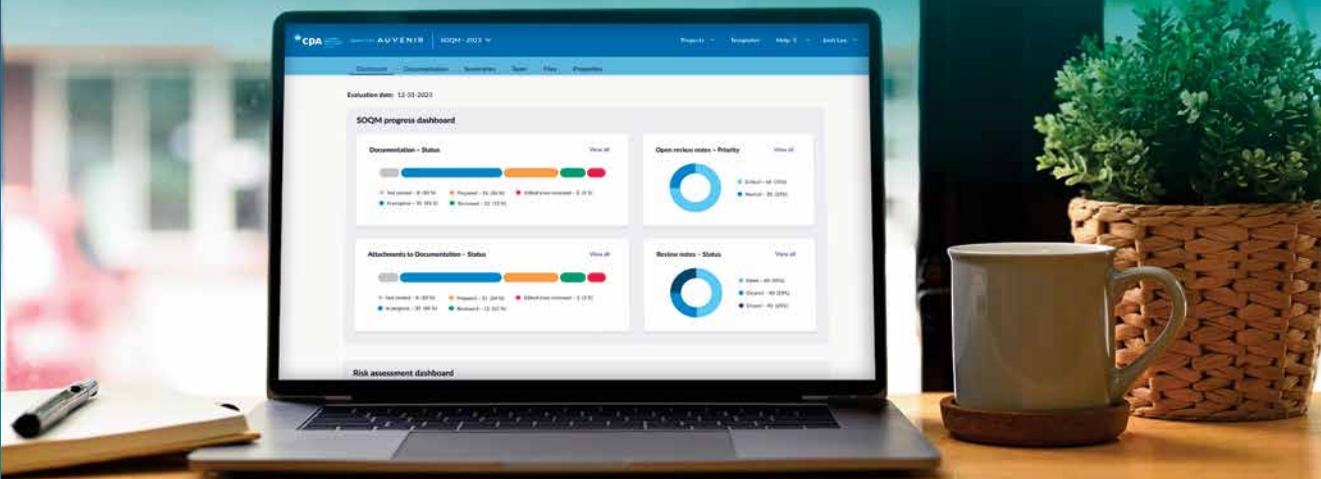
These financial challenges have an impact on the sustainability of public transit systems. Indeed, when balancing the budget requires cutting expenses, it generally means reducing services. At the same time, users are very sensitive to service quality, and industry representatives are well aware of the risk of falling into a "death spiral."

While some are looking forward to a return to normalcy, sadly, do not share their hope. Hybrid and remote working is well established, and despite strong population growth in major cities, mainly due to immigration, we are not seeing a surge in the use of public transit. We have to get used to the new normal: it seems to be here to stay.

With hybrid working and only a few days in the office, a monthly transit pass is often no longer necessary. In Montreal, it takes 26 trips to make it worthwhile. In Vancouver, it's 33 trips, and in Toronto, it's a whopping 47! What's more, without a monthly pass, many people further reduce their use of public transit for non-work trips.

Click your way to quality management with QMG Cloud.

Design and implement your system of quality management for related services engagements by the December 15, 2023 deadline!



**CSQM
Compliant**



**Tailored
Content**



**Seamless
Linking**



**Monitoring
Activity Log**



**Archive and Carry-
Forward Functionality**

See what firms are saying about QMG Cloud

“QMG Cloud streamlines and organizes the process and is logical to follow.”

SG ACCOUNTANTS LLP

A1 ACCOUNTING GROUP LLP

“Being able to attach files in the system to a document is a gamechanger, it will help us stay organized in one single place.”

MYRIAD GROUP CPA

“In QMG Cloud, the interface is very clean and very easy to follow, and the app made it feel less daunting to be compliant.”

RICHTER LLP

“I had bookmarked 2 months to do this, and now I think I will complete this in 2 weeks and will probably be more complete and more thorough than the other way I imagined.”

“I will be saving over 50% of the time I used to spend with QAM (and the old QMG), if I use the CPA Canada/Auvenir platform to build my SOQM. Now we can focus more on strategic initiatives.”

CLEARHOUSE LLP

Get QMG Cloud today! <https://bit.ly/CPAC-QMG>



Is fare-free public transit a viable solution?

Against this backdrop, the status quo when it comes to funding public transit is no longer tenable. We need to rethink our approach, and fare-free public transit, an idea that seemed far-fetched a few years ago, has been gaining ground since the pandemic. This past summer, Montreal made public transit fare-free for those over 65, and many U.S. cities, including Boston and New York, are beginning to do the same or test the idea. Meanwhile, free public transport is commonplace in many European centres. When it comes to weighing the pros and cons, how should we determine where we stand? Perhaps the additional costs of increased ridership would be offset by the efficiency gains of not charging fare at boarding (taking into account the lack of revenue, of course). It's hard to say.

IN MONTREAL, IT TAKES 26 TRIPS TO MAKE A MONTHLY TRANSIT PASS WORTH THE COST. IN TORONTO, IT TAKES 47 TRIPS.

In any case, we can rethink the allocation of resources. Let's imagine for a moment that the money spent on labour (inspectors, for example) and infrastructure (payment terminals, for example) to ensure that users pay their fare were instead used to address homelessness, addiction and mental health issues. In concrete terms, this would also mean that in Toronto, the 1,800 monthly interventions by fare inspectors would be replaced indefinitely by social interventions. These actions could have a significant impact on the attractiveness of public transit, which remains a barrier for some in 2023.

Moreover, fare-free public transit would significantly improve mobility for the greatest number of people, as currently certain segments of the population are over-represented in terms of ridership, such as racialized groups (3.7 times more), immigrants (2.8 times), young people (1.7 times), people with lower income (1.7 times) and women (1.6 times).

No one knows to what extent free public transit and more bike lanes would reduce traffic congestion, but I would choose the carrot over the stick, especially if we make it a project that we can all get behind. ♦

David-Alexandre Brassard is CPA Canada's chief economist.

SOCIAL Qs

CHALLENGING OUR FINANCIAL BIASES

Our biases sometimes cause us to make the wrong financial choices, but knowing how our minds work can help us avoid the same mistakes

BY DORETTA THOMPSON

Life is an endless stream of decisions—an estimated 35,000 of them every day. Most are pretty much made unconsciously. But even those we think are careful and deliberate can be unconsciously shaped by “cognitive biases”—those decision-making shortcuts our brains use to simplify information processing.

Most of the time, these shortcuts are effective in helping us navigate daily life, but sometimes they undermine thoughtful decision-making.

The list of cognitive biases is long and growing, but here are the top five most likely to affect financial decisions.

1. Confirmation Bias

Where we look for and value information that confirms what we already believe. This can cause us to overlook potential risks and ignore warning signs.

2. Loss Aversion

Losing hurts more than gaining feels good. This simple truth can lead us to hold on to losing investments, hoping for recovery, rather than cutting our losses.

3. Herd Mentality

Causes us to follow other people's decisions, trusting they know something we don't. Meme stocks, anyone?

4. Endowment Effect

Pushes people to overvalue items they own compared to identical items they don't own. This can make it difficult for us to part with an investment, even when it doesn't meet our financial goals.

5. Recency Bias

Leads us to disproportionately emphasize the most recent events and our most recent experiences. This forces us to rely too heavily on the most recent market trends without considering long-term historical data.

Recognizing our own cognitive biases can require brutal honesty. It can also help us improve our decision-making and allow us to get ahead financially. ♦

Doretta Thompson is financial literacy leader at CPA Canada.





SHAM, WOW

A catalogue of recent cons
BY ANDREW RAVEN

COMING UP EMPTY



Police have arrested two Alberta residents in connection with what they allege is a “lottery” fraud that bilked a senior out of more than \$200,000.

One of the suspects was arrested before boarding a plane in Toronto and another surrendered himself to police in Grande Prairie, Alberta.

Police did not reveal the details of the scheme. But experts say lottery scams are among the most common types of fraud; usually scammers tell victims they have won a large prize, often from a foreign lottery. But to collect their money, the victim must pay a fee to cover taxes, legal fees or delivery costs.

TAKING A TOLL

An Ontario woman was left with a \$60 bill after another driver reportedly cloned her license plate in a scheme to travel for free on a toll road north of Toronto.

The woman told CTV News she was shocked to get the invoice—which covered three trips on Highway 407—for days she wasn’t in the city.

When she contested the charges, the private company that owns the highway sent her pictures of a dark Nissan SUV that was nearly the spitting image of her vehicle—save for a few small differences.

A Highway 407 official said it appears as though someone “duplicated” the woman’s license plate and pasted it on their vehicle, a ruse that isn’t uncommon.

CRYPTO KIDNAPPING

Toronto police have charged four men with the kidnapping of self-described “Crypto King” Aiden Pleterski, the latest twist in a sensational case that involves \$40 million in missing investor money and, naturally, a fleet of supercars.

According to the CBC, one of the men had invested \$740,000 with Pleterski, a former student of Fanshawe College, in London, Ont., who reportedly had no formal training in securities trading. Despite that, he managed to raise over \$41 million from investors at the height of the cryptocurrency boom.

The New York Times, citing court documents, said less than two per cent went toward crypto investments.

In July, a shaky video emerged of a badly beaten Pleterski in which he apologized to investors and said, “I’m going to do what I can do to make it right.” It wasn’t immediately clear when the video was taken.

Police say Pleterski’s kidnapers held him for three days, during which time he was repeatedly assaulted, before releasing him in downtown Toronto.

Offset more taxable income for your clients.

When you donate publicly traded securities in-kind, they have a 0% inclusion rate. Abundance Canada makes the process efficient and easy. To learn more, visit abundance.ca/for-professional-advisors or call 1.800.772.3257 to speak with a Gift Planning Consultant.

Abundance[®]
CANADA



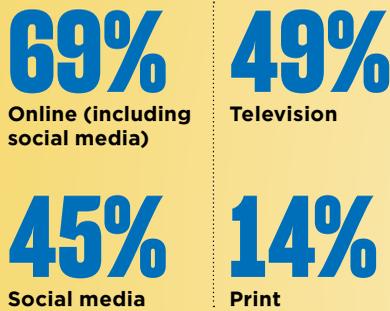
BY THE NUMBERS

SIGNING OFF

Canada has witnessed a dramatic shift in how people consume news. Canadians are leaving legacy media, such as newspapers and television, to embrace online platforms, including social media. The dramatic switch to TikTok and YouTube as news providers is an erosion in the trustworthiness of the information and has led to significant revenue declines for print media. Here's a survey of the Canadian news landscape over the past decade. —*Steve Brearton*

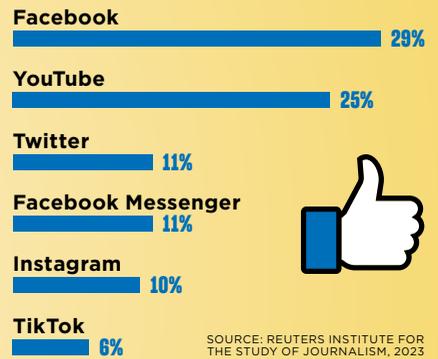
Online news the choice of most Canadians

Most Canadians use online media to access their news in 2023. Only one in seven Canadians reads printed newspapers and/or magazines.



Facebook and YouTube the most popular social media for news

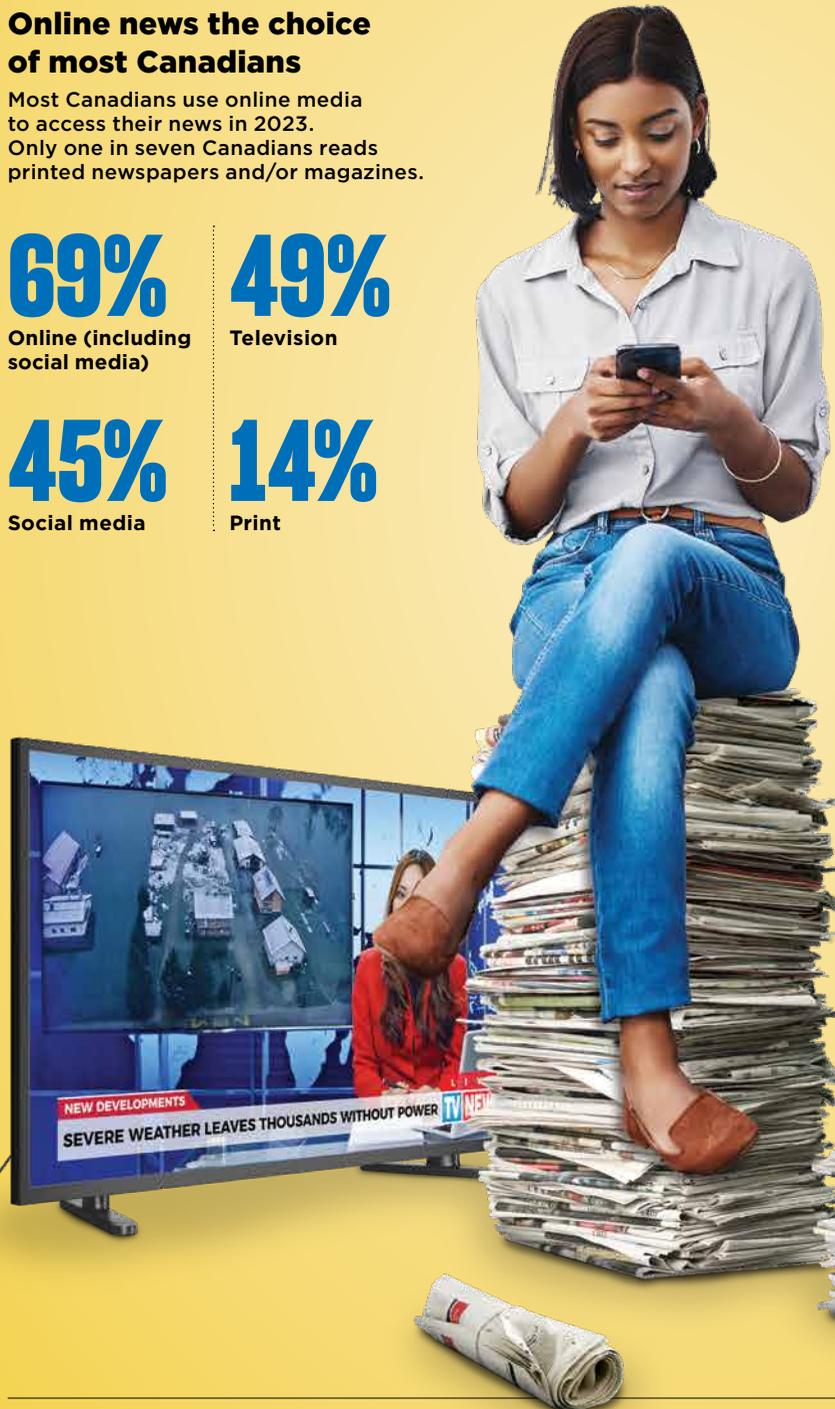
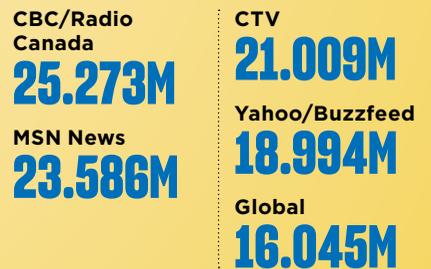
Top social media and messaging applications for news in Canada, 2023



SOURCE: REUTERS INSTITUTE FOR THE STUDY OF JOURNALISM, 2023

Biggest news platforms

Top five sources for Canadian news and information consumption, by unique monthly views, 2021



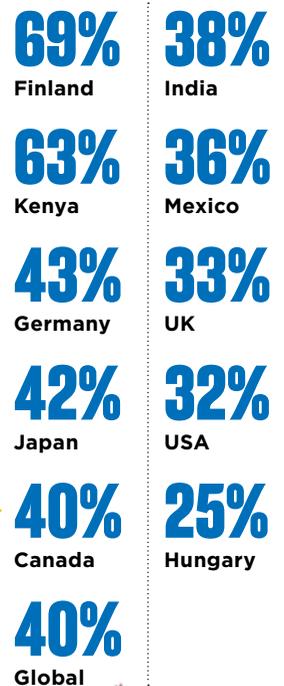
“This is an important first step to level the playing field and address the significant market power imbalance between publishers and platforms, and to restore fairness and ensure the sustainability of the Canadian news media ecosystem.”

—Jamie Irving, chair of News Media Canada, on the Online News Act



Canadians’ trust in news meets the global average

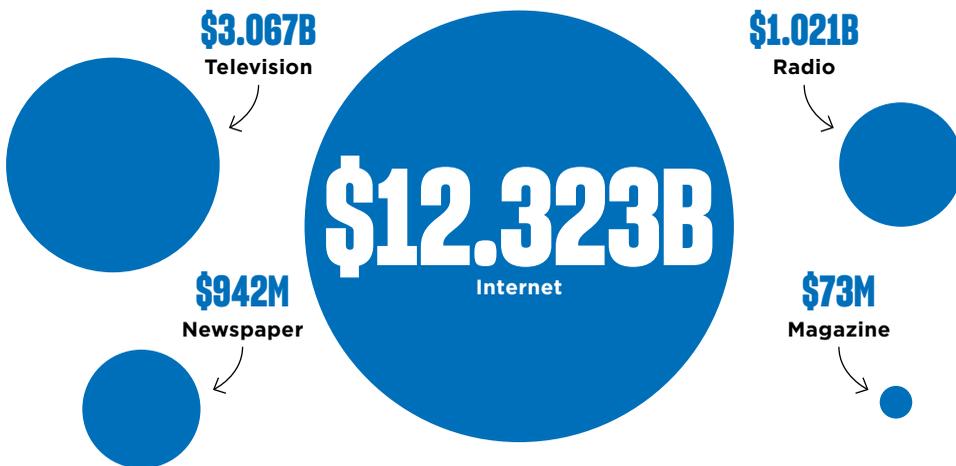
Trust in news by selected countries, 2023



Media advertising trending up, but ONLY on the internet

Between 2012 and 2021, the most recent year available, overall media advertising rose by nearly \$5 billion to \$17.3 billion. Internet advertising rose \$9.2 billion over that period while newspaper ad revenues dropped \$2.6 billion.

Net Media Advertising Revenue 2021 (\$17.426B total)



% change in media advertising between 2012 and 2021 (+40% total)



“By mandating payments for links, the bill creates a real threat to the free flow of information online.”

—Michael Geist, the University of Ottawa’s Canada Research Chair in Internet Law and e-Commerce Law



Feds pass Bill C-18 for tech firms to financially compensate news outlets

In June, Canada’s federal government passed the Online News Act, which requires big tech companies to negotiate compensation deals with Canadian media outlets. Social media giant Meta immediately said it would end access to news on Facebook and Instagram for all Canadian users before the act comes into force.

61% Percentage of Canadians who feel technology and social media firms should pay media outlets for sharing their content, according to a July 2023 poll by Angus Reid.

\$200+ MILLION (AUD)

Reported annual amount paid to Australian news publishers by Google and Facebook through their News Media Bargaining Code, legislation that is similar, but less comprehensive, than Canada’s Online News Act.



BY ANYA LEVYKH

BREA AKING THROUGH



Michael Pickup, FCPA, is taking lessons from his childhood and lived experience and applying them to the role of B.C.'s auditor general

PHOTOGRAPHS BY VISHAL MARAPON



W

Michael Pickup's introduction to the media came at a younger age than most of his contemporaries. Born in Cape Breton, N.S., on December 13, 1965, to Molly and Jack Pickup, he made the news at the tender age of two when a babysitter didn't notice him breaking

through the backyard fence and subsequently falling into a freezing creek behind the house. A passing driver luckily saw something in the water and stopped to take a look, saving young Michael from certain death.

"That was the first time I made the paper," Pickup recalls. "My mother said she should have known because she almost had me in a police car. She went into labour in the middle of a snowstorm and my father couldn't get the car out because of all the snow, and there were no ambulances in this small town in Cape Breton at the time, so the police took her to the hospital."

Despite the rather dramatic start, Pickup grew up to have a fairly happy childhood. "My parents between them were the oldest of 15 kids and quite young when they had me," he says. "So I grew up with a large, close family and lots of kids around. I have 43 first cousins younger than me."

While his father and mother were only 18 and 19, respectively, when he was born, they were determined and worked hard to make a better life for him and his siblings. "My mother got a job in a bank and worked her way up. She put my dad through school, and he eventually became a marine engineer. But those early years were lean."

Growing up one block from the entry to the Membertou reservation, today one of the most prosperous reservations in Canada, also exposed Pickup early on to the systemic racism that Indigenous people experience. "I've had every benefit of looking white, but I saw from an early age what racism was toward Indigenous people." Pickup understands what intergenerational trauma looks like. His mother's maternal grandmother was a young Indigenous girl who left her reservation at 13 to marry a 30-year-old white man and had her first child at 14. She had 10 more children by the time she was 30.

"One of those children was my grandmother. She was told by her husband to forget she was Indigenous, to never mention it to anyone, although that could have partially been to protect her at a time when it wasn't acceptable to be Indigenous outside of a reservation. My other grandmother was the oldest of 13, and between her and her siblings, they had 73 kids.

"Coming from such a large family on both sides, I would never pretend it was all sunshine and blue skies; you certainly saw people with issues and some



bad things happening. It really did give me a sense of the importance of the public sector, the importance of government programs and services." He also says that it taught him the importance of treating people with equal respect and just accepting them for who they are.

He carried that lesson with him and kept it close as he progressed in his career, eventually leading him to assume the role of auditor general of Nova Scotia in 2014 and then for British Columbia in 2020.

Treating people with respect, acceptance and love was also a priority for Pickup's paternal grandmother. "Somebody interviewed her before she died and asked her if she was proud of me being auditor general of Nova Scotia [at the time] and she said, absolutely, but that she was most proud of the person I was, of me being compassionate and understanding, and treating people well."

He jokes, though, that the time he was on the Weather Network, with other auditors general to discuss an environmental audit, trumps everything else he has done.

"That was the moment for her. You know you've arrived career-wise when you're on The Weather Network," he says with a laugh.

That acceptance was important when Pickup decided to come out to his family. "Looking back over a 35-year career—I'm 57 now—and thinking back to my mid-20s when I came out and really accepted who I was, my immediate and extended family was very open, and I felt very safe with them," he says. "But my mother cautioned me to be careful about it. The world was very different 35 years ago, especially in the workplace."

"I have a responsibility to represent, to show people that anyone can become auditor general regardless of culture or background"

“I remember in Halifax at the time, you’d have maybe 100 people go to Pride and they’d have paper bags over their heads, for fear of being fired or abused. The last Pride I went to in Halifax, just before the pandemic, there were 95,000 people there, in a city of less than 400,000. So the world has changed a lot.”

Pickup works hard to ensure no one he works with now has to experience that. But he admits it takes time to move from tolerance to the ultimate goal of inclusion and celebration.

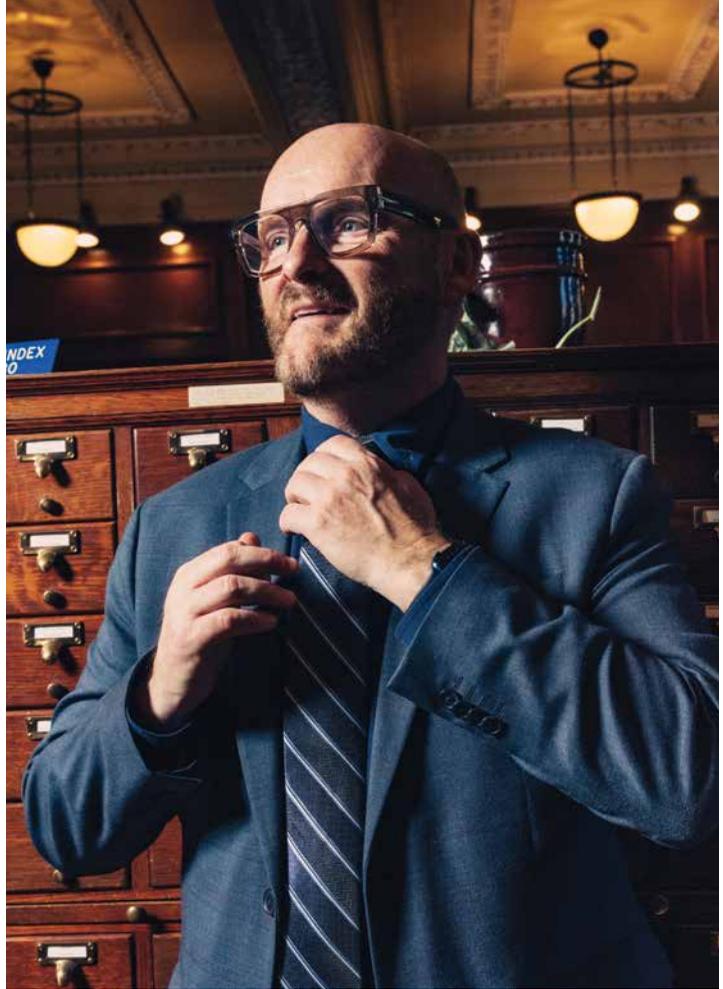
“It’s why now, near the tail end of my career, I feel I have a responsibility to represent, to be more out there, and show people that anybody can become an auditor general. It’s important [that] people see themselves represented, regardless of what background or culture they’re from, what group they’re part of.”

Pickup’s colleagues both in Nova Scotia and British Columbia can attest to the acceptance and inclusivity he demonstrates in the workplace. “One of his strengths is ensuring a diversity of thought and people in everything he does,” says Evangeline Colman-Sadd, CPA, CA, former auditor general for Halifax Regional Municipality, who has known Pickup since 2014. “He’s very empathetic and kind to people. Shortly after he started working at the Office of the Auditor General (OAG) Nova Scotia, we had a longtime member of the team suddenly pass away. Michael brought in crisis counsellors so that people could talk and process their grief in their own individual ways. He ensured that there was a way for staff to share their stories and experiences with the person’s family.”

Pickup’s interest in people initially led him to major in Canadian economics and political science at Acadia University, with no thought at first of a career in audit or accounting. “I was quite active in university; class vice-president, news director at the student radio station, all kinds of things.” But he said that he fielded calls from the firms offering to put him through an accounting degree, and eventually, after multiple conversations, decided to enter the program. “I was very fortunate that CPAs were really ahead of their time in being open to people from different disciplines.”

Pickup spent a few years at Doane Raymond (later to become part of Grant Thornton) after graduation. “They taught me so much. This was in the late 80’s and we did bookkeeping manually. No software, just old ledgers and cancelled cheques, everything by hand. We’d do tax returns with a pencil, because if you made a mistake, you’d have to redo everything. It was certainly a great learning opportunity, and I was grateful to them many times over the years for their patience and for investing in me.”

He enjoyed making connections with people and working with clients one-on-one, but then became interested in economy, efficiency and effectiveness in



Pickup is a member of the Miawpukek First Nations

the public sector. “I got interested in the idea of value for money auditing [now called performance audits] when I saw what was being done by the then-auditor general of Canada after he did an audit in Nova Scotia on a road project that went nowhere.”

These performance audits look at how well programs and services are being delivered for the people across the country. “I wanted to do that.

“The OAG of Canada audits the finances of some of the biggest public sector businesses from across the country. When I started there, I was working on government-owned coal mining companies, marine transportation companies, fish processing, manufacturing, you name it.

“Being an auditor is a lot more interesting than people might think. During my career so far, I got to spend three days in prison [as part of an audit on correctional facilities], climb the world’s largest container ship in the middle of the ocean, and visit a mine four kilometres below the ocean floor.”

“He’s something that I’ve never met before,” says Elaine Hepburn, former director of executive accountabilities at OAG B.C. “He’s so full of life, laughter, joy and kindness. There was an excitement when he started [as auditor general]. You could see how he wanted to connect with people, regardless of whether it was a janitor or the Premier; he treats everyone the same. And it was important for him that we could all



bring our whole selves to work, regardless of our individual backgrounds.

“He also empowers the people around him,” continues Hepburn. “When Michael first came on board, I wasn’t on the executive team yet and I remember sitting in a meeting with him and saying, ‘Sorry, could I say something?’ because I wasn’t used to having a voice in meetings at that point and Michael turned to me and said, ‘Why are you apologizing, Elaine? You’re a part of this meeting and you can say anything you want; your voice is equal to anyone else’s.’ And I was blown away by that.”

That empowerment is also something that Pickup learned to give to himself over the years. “Historically, auditing and accounting has been seen as a very conservative field, very colonial in nature,” he says. “The first time I really felt comfortable coming out in the workplace was when I moved to Ottawa in the 90’s to OAG Canada as a project leader. It was a previous auditor general, Denis Desautels, who encouraged me to move to Ottawa and be myself.”

In Ottawa he was working with over 600 people from across the country, as opposed to a small office with 15 to 20 people. “There were four Michaels in that small office!”



Pickup was one of the 40,000 attendees at the 2023 Victoria Pride Parade

Within a year in Ottawa, he became a director. In 2001, when Sheila Fraser became auditor general, “I felt she brought a breath of fresh air into the place as well, being the first female auditor general of Canada. There was more of a focus on diversity and inclusivity.

“But I think it was only when I came to B.C. that I grew into the idea that part of my legacy would be as the first LGBTQ2SIA+ and first Indigenous auditor general in Canada, because I had always been so cautious about the idea of merit and not having my accomplishments and abilities be overshadowed by my identity.”



Standing proudly underneath the British Columbia flag



And those accomplishments are lengthy. In July of 2014, he became auditor general of Nova Scotia, a position he kept until accepting the same role in British Columbia, where he is now four years into his eight-year term. In addition to his degree and designation, he’s also completed certificates in diversity and inclusion, and LGBTQ executive leadership, from Cornell and Stanford universities, respectively, and he’s coached and trained auditors in Africa and South America, and published a memoir about growing up with his paternal grandmother, *Nan-Made: How a Grandmother Made a Man*.

“DEI was another area where he brought a new perspective,” says Hepburn. “I’d say we were a bit behind in that area and one of the first things he had the executives on his team, including myself, do was take eCornell’s Diversity, Equity and Inclusion Certificate Program.”

While his focus on diversity and inclusion has been a constant, his rigorous work ethic is unmatched. “He’s very hands-on, very process oriented,” explains



Pickup is very process oriented, but is also focused on empowering the people he works with

Hepburn. According to her, Pickup spends every weekend reading through 100 to 200 printed pages of compiled notes, reports, presentations, etc., and delivers his feedback to his team on Mondays. “It’s an incredible process that really works,” Hepburn says.

Pickup’s enthusiasm for diversity of thought has improved the effectiveness of the audit reporting process in both Nova Scotia and B.C. “One of the things he focused on here [in Nova Scotia] is how the audits are communicated,” explains Colman-Sadd. “Even those of us who audit for a living don’t necessarily want to read audit reports all day. He made sure they were communicated in manageable bits.”

Hepburn agrees, adding that Pickup wants people to understand the reports, so he created a one-page-audit-at-a-glance summary for MPs and anyone else who was interested. “He’d also make that available to the media at press conferences, but he could also reference any page in the full report on the spot.” That focus on efficiency also impacted the number



and success of recommendations that his office produced. “We primarily worked on performance audits together for things like capital funding in schools, homes for special care, management of hospital system capacity in Nova Scotia, surgical wait-lists, licensed child-care centres,” says Colman-Sadd. “You have to make sure your recommendations are practical and can actually be implemented, and then it’s up to government as to whether or not they implement them. He tried to narrow down the number of those recommendations to maybe 10 or 12, to focus on the higher-risk items in hopes of bumping up the implementation rate, which did increase noticeably during his time. I’ve seen the number of recommendations go as high as 30-plus in the past. Michael’s approach really streamlined this.”

“Our job is primarily to provide assurance to elected people in the legislature on how something is working,” explains Pickup. “I don’t hold government accountable; I give a tool to elected officials and they decide how to use that tool to hold government accountable. So if they want to question a minister or government department, they have the information and tools to do that. On the other hand, the reason why many of us continue to do this work is all the recommendations we make are generally agreed to and hopefully implemented. In many ways, that’s what drives us. We did an audit on our mental health services recently, which we tabled this past winter, and that was focused on Indigenous offenders in correctional facilities. The hope is that those recommendations will improve service delivery in that area.”

As for the future, Pickup plans to start working on a second book about his maternal grandmother but is certainly not limiting himself to other possibilities. “If my experience [almost drowning] as a kid could be said to have inspired a motto, I’d say it’s ‘Don’t fence me in.’” ♦

KEEP UP

With expanding roles, advancing technology and growing expectations, how will CPAs of the future be able to navigate the evolving audit landscape?

PIVOTING

BY ALI AMAD

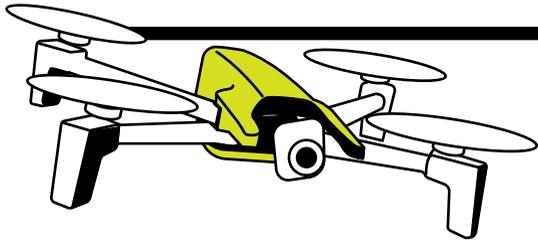


In 1894, the fledgling modern auditing profession faced an identity crisis triggered by the collapse of Kingston Cotton Mills. The British textile company had imploded due to fraudulent stock overstatements spanning the previous four years. Blamed by the public for their failure to unearth the deception, the company’s auditors subsequently faced legal action from disgruntled stockholders. Their primary grievance? Instead of conducting their own stock examination, auditors had relied on fraudulent certificates provided by one of the company’s directors. In a landmark ruling, the presiding lord justice sided with the auditors, famously asserting that “an auditor is not bound to be a detective...He is a watchdog, but not a bloodhound.” Despite societal expectations to the contrary, auditors were not held responsible for ferreting out fraud.

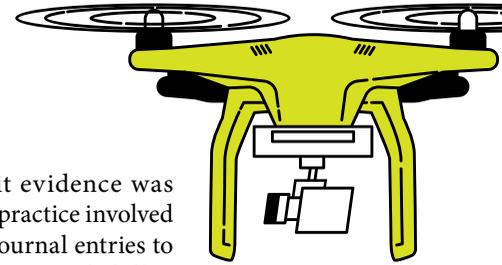
Fast-forward almost 130 years, and audit has matured quite a bit, navigating a vastly more intricate business landscape. Inevitably, the “expectation gap” between what auditors believe their roles and capabilities are and what society demands of them has become equally complex.

Following the high-profile collapses of Carillion in 2018 and Silicon Valley Bank earlier this year (the second-biggest bank failure in U.S. history), calls for reforms of auditors’ responsibilities regarding fraud have resurfaced. Much of the impetus for reform stems from the increased integration of technologies like AI and machine learning into the audit process, expanding the potential capabilities of audit and, consequently, heightening stakeholder expectations for fraud detection.

Simultaneously, growing urgency surrounding the impacts of climate change has ignited a surge in demand for sustainability assurance. As they grapple with the necessity to support accurate and transparent environmental, social and governance (ESG) reporting, auditors are expected to not only be more diligent financial watchdogs, but also environmental stewards who help advance a sustainable future.



“It’s the profession’s responsibility to demonstrate the value of audit to society. You only hear about audits in the rare cases when things go wrong.”



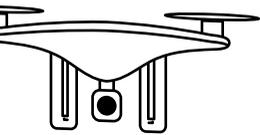
These are the transformations challenging the profession. In a world where trust and accountability are paramount, CPAs possess a unique opportunity to bridge the enduring yet evolving expectation gap by embracing innovation, upskilling, and redefining their position within society. As the profession navigates these uncharted waters, will the auditor of the future be a mere watchdog, a relentless bloodhound or something transcending both roles?

Maggie McGhee, executive director for strategy and governance at the U.K.-based Association of Chartered Certified Accountants (ACCA), believes that the manner in which accountants harness technology in the next decade is the key to answering that question. “The advent of new technologies brings with it great opportunity to the audit profession, but it also carries risks and forces change in the skills and attributes we require from an auditor,” she says.

In 2019, PwC used drone technology to conduct a stock count audit for the first time, using 300 images of coal reserves in South Wales to calculate the coal’s value within more than 99 per cent accuracy. Other major firms have followed suit since, particularly when the pandemic incentivized the deployment of technology to protect employees from COVID-19. These types of on-the-ground innovations just scratch the surface of what’s possible.

When the collection of audit evidence was primarily paper-driven, standard practice involved auditors examining a sample of journal entries to identify problematic issues, like round-dollar transactions or entries made at odd hours. But the validity of maintaining that standard practice is now being held up to scrutiny from within and outside the profession. AI and machine learning present auditors with the opportunity to rapidly evaluate entire data sets in real time, providing a comprehensive view of potential risks and instances of possible fraud within a company’s records. These tools can also use historical data and patterns to create probability models that predict future risks. By automating this labour, auditors are freed up to focus on analyzing data findings to deliver insights that add value to a company.

But according to Bob Bosshard, chair of the Canadian Auditing and Assurance Standards Board (AASB), these technological capabilities also come with a weighty burden of expectation to catch all possible instances of fraud and accurately forecast future corporate demises. “We may have created a technology ‘expectation gap’ that didn’t exist as recently as five years ago,” he says. “If an auditor doesn’t use technology to examine the transactional database, and perhaps relies on audit sampling, is the perception in the marketplace that auditors should always look at 100 per cent of the data?”



And in the context of a major corporate collapse, the public might wonder why an auditor failed to use AI properly—or at all—to get better visibility on what the transactions were telling them.”

For McGhee, the key solution to eliminating this “expectation gap” is educating stakeholders on what exactly CPAs can and can’t provide in this space. To this end, the ACCA uses every possible approach, including social media like YouTube (where the ACCA has more than 100,000 subscribers). “We’ve even waded into TikTok,” she says. “It’s the profession’s responsibility to demonstrate the value of audit to society. You never hear about the vast majority of audits that go exceptionally well; you only hear about audits in the rare cases where things go wrong.”

Even though the public is pressuring auditors to adopt more technological solutions, the increased reliance on technology poses a host of new risks. Aside from AI misinformation and cybersecurity threats, AI algorithms can inherit biases from the data they “learn” from, leading to unfair or discriminatory outcomes. In addition, concerns have been raised over the lack of transparency on how these complex systems make decisions. These troubling issues present an opportunity for CPAs to expand the services they provide. Although independent third-party assurance of emerging technologies isn’t currently mandated by legislation, the Big Four firms are increasingly offering consulting services to help companies with readiness assessments that mitigate risks related to their deployment.

On a global level, the International Auditing and Assurance Standards Board (IAASB) has led the way in formulating the responsibilities of the profession to evolve, including technological evolutions, with three projects underway in the past two years for updated auditing standards that address audit evidence, going concern and fraud.

Regarding audit evidence, the IAASB has established requirements that emphasize the importance of the auditor being professionally skeptical and validating information before it becomes audit evidence. “Is the information fit for purpose?”



Maggie McGhee
Executive director,
Strategy and
Governance,
Association
of Chartered
Certified
Accountants
(ACCA)



Bob Bosshard
Chair,
Auditing and
Assurance
Standards Board
(AASB)

Does it meet audit objectives before it’s rolled into the audit?” says Bosshard.

As for going concern, there will be greater responsibility on the practitioner to carry out a thorough and transparent risk assessment of a business. In order to be more current in evaluating risks of the day, the new standards for going concern also propose that auditors now look forward 12 months from the approval of their audit report, rather than looking forward 12 months from the balance-sheet date.

Consultation periods in audit evidence and going concern concluded earlier this year, while more robust fraud standard proposals that incorporate community concerns and employ a higher degree of professional skepticism will be approved at the international level this year, and in Canada by the AASB in 2024. “These revisions don’t change management’s ultimate responsibility for financial statements, but they provide clarity in terms of the processes the auditor needs to follow,” says Bosshard.

Technological transformations, coupled with the necessary adoption of revised standards, have arrived just as CPAs are being called upon to combat the definitive existential threat of the 21st century: climate change. In light of the historic 2015 Paris Agreement’s goal to cap global temperature increases at two degrees Celsius above pre-industrial levels, as well as Canada’s commitment to achieve net-zero emissions by 2050, there has never been a greater public need and expectation for robust sustainability assurance practices.

When Kaylynn Pippo, director of CPA Canada’s Research, Guidance and Support group, started out in KPMG’s risk consulting practice at its downtown Toronto office 10 years ago, the entire sustainability team servicing clients nationwide was composed of fewer than 10 dedicated professionals, whereas today it is well over 100. “The CPA profession has been doing work in this space for more than 25 years, but it’s really just become mainstream more recently,” says Pippo. “Today, KPMG and other Big Four firms have extensive teams providing sustainability advisory and assurance services, and the growth is exponential.”

According to a 2023 global benchmarking report jointly published by the International Federation of Accountants (IFAC), the American Institute of CPAs and the Chartered Institute of Management Accountants, showed a significant increase in the number of large companies disclosing sustainability information and seeking assurance on their ESG reporting. Specifically, the study found that 64 per cent of large companies sought assurance on their ESG reporting, up from 51 per cent in 2019.

This uptick has galvanized standards-setters to formalize protocols and requirements within the domain of sustainability. In 2021, the International Financial Reporting Standards (IFRS) Foundation created the International Sustainability Standards Board (ISSB). This past June, the ISSB issued IFRS S1 and IFRS S2, its first standards for sustainability-related disclosures in capital markets. In the same month, Canada's recently formed Canadian Sustainability Standards Board became operational and will support the uptake of ISSB standards in Canada. A few months earlier, in January, the Corporate Sustainability Reporting Directive was adopted in the E.U., requiring all large companies and listed companies (excluding listed micro-enterprises) to make regular ESG disclosures. On the assurance side, just this past August, the IAASB published its first proposed international standard on sustainability assurance, for public exposure and consultation, to be adopted in Canada concurrently.

Now that a global baseline in sustainability standards has been established worldwide, it will be up to jurisdictional regulators like the Canadian Securities Administrators to mandate their implementation domestically, particularly in areas like the reporting of and assurance on greenhouse gas emissions. "In the meantime, entities are focused on understanding the reporting of their sustainability information, as well as ensuring that the right data is being collected and that proper controls are in place," says Pippo.

While stand-alone sustainability reports are currently the most popular format for disclosure in North America, Bosshard predicts that integrated reporting blending financial information with ESG-related disclosures will be the norm in the near future. Pippo agrees. "On the financial statement audit side, firms are already starting to train



Kaylynn Pippo
Director,
Research,
Guidance and
Support,
CPA Canada

their auditors to embed how climate risks impact the financials into their thinking and audit approach," she says.

As it stands today, CPAs are encountering competition in the sustainability assurance space, notably from ESG consultants contributing to a new expectation gap in the market. IFAC's global benchmarking report revealed that 63 per cent of engagements of large companies were conducted by audit firms in 2019. However, that number

dropped to 57 per cent in 2021, as non-accounting service providers took a bigger slice of the pie. In Canada, nearly two-thirds of ESG assurance services were provided by audit firms or their affiliates. South of the border, only 15.3 per cent of services in the United States were provided by auditors. These numbers lag far behind figures of some E.U. countries like France, Germany and Spain, where auditors take on nearly 100 per cent of assurance.

Pippo believes these figures reveal more work needs to be done by the North American accounting profession to take on these responsibilities. "CPAs who conduct financial statement audits are already trusted by companies and familiar with their processes, and they're trained to adhere to recognized audit and assurance standards," says Pippo. "Auditors are also committed to meet relevant ethical and quality management requirements. It's already built into our profession. These positives will enable CPAs to move more widely into these emerging areas."

Throughout the profession, efforts to address this demand are ramping up. In 2021, the University of Waterloo launched Canada's first-ever program in sustainability and financial management. The following year, EY announced it would offer a master's in sustainability, alongside Hult International Business School, exclusively for all of its approximately 312,000 employees—free of charge.

This year, CPA Canada and the University of Waterloo published research looking into the marketplace for assurance services beyond the financial statement audit, highlighting future opportunities for CPAs as well as the skill sets they'll need to take advantage of them. This research builds on the Canadian accounting profession's Competency Map 2.0, which identifies big data and data analytics as foundational core competencies. Along with those technical skills, auditors will rely more heavily on

their “soft skills,” critical thinking and ethical decision-making, to harness them effectively.

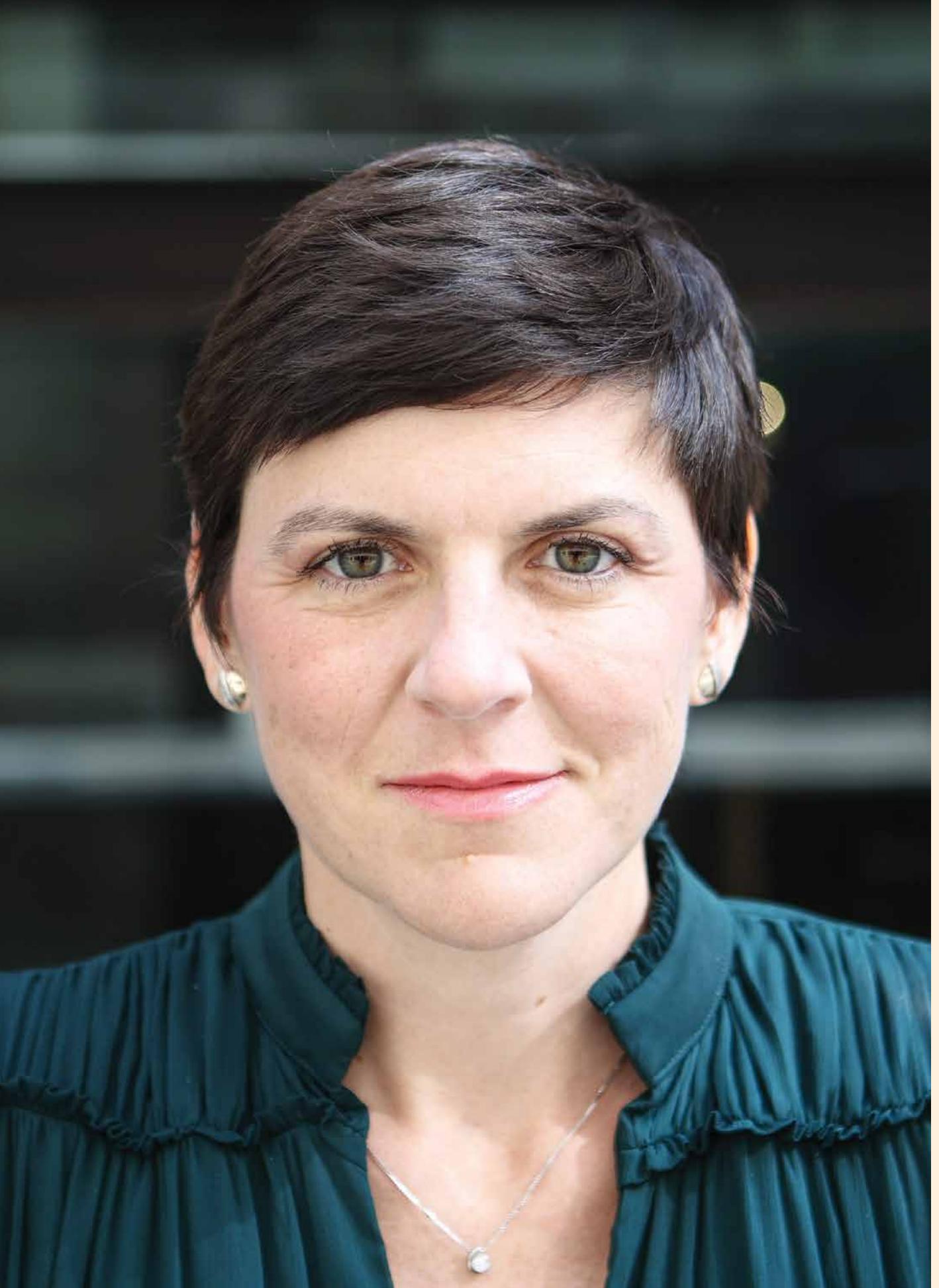
So, what does the auditor of the future look like?

The auditor’s traditional role will broaden beyond financial information to include ESG topics as well as automated tools and technologies. CPAs will be sought by their clients as technology and sustainability experts and advisors, to meet the multi-faceted challenges of today’s business environment. “By 2030, the benefits of technology will echo throughout the profession,” says McGhee. “Spending months doing very detailed transaction-based testing will be a thing of the past—that work will be automated. Instead, auditors will add value, exercise professional skepticism, and think strategically.”

The latest crop of professionals may encounter a new expectation gap, entering new territories as they branch out beyond the norm of what auditors are known for. It’s a journey that inevitably comes with risks and uncertainties, but those perils are nothing new for the profession. Going back to the 1894 Kingston Cotton Mills case, auditors have always been challenged by the public and survived stronger than before. “Auditors have constantly been adapting to act in the public interest and provide value-added services,” says Pippo. “In that same way, the next generation of accountants will transform the value the profession brings moving forward. It’s a vital role that society will continue to depend on as it faces its biggest challenges.” ♦



**Auditors are expected to not only
be diligent financial watchdogs,
but also environmental stewards**



Changing the face of cancer

It is estimated that one in eight women in Canada will be diagnosed with breast cancer. CPA Jasmine Marcoux is one of them. While the disease has brought profound change to her life, it also came with its own “gifts”—including the drive to join the Keep Your Hair charity.

BY JASMINE MARCOUX

INTERVIEW BY MANON CHEVALIER
PHOTOGRAPHS BY STEPHANIE FODEN



▲ Marcoux and partner, Jean-François

A lump in my breast, the size of a walnut, rolling around under my fingers. That's what catapulted me into the world of cancer on December 14, 2020, at the height of the pandemic. During an online Christmas lunch with my co-workers, I received an unexpected call informing me that I had an appointment with a surgical oncologist. Nothing could have prepared me for when the ultrasound revealed a small lesion.

Stunned by the news, I immediately called my family doctor, surprised that the hospital had already contacted me. When she uttered the words "breast cancer," my thoughts went straight to my seven-year-old daughter. Was I going to die? "No," the doctor replied. "You have a good prognosis for survival." From then on, everything moved quickly.

I was 41 and had stage 2B hormone-dependent cancer. I would eventually have to undergo two surgeries, one of which would entail a double mastectomy—all in addition to four chemotherapy sessions every three weeks. Because of the pandemic, I would have to receive my treatments unaccompanied, without the support that you'd normally expect. My partner, Jean-François, would have to drop me off in front of the hospital and pick me up afterward, when I would often be on the verge of passing out.

But I didn't know any of that yet. All I knew, before being taken into the care of the nurses and doctors, was that I had no choice but to spend a long while in the nebulous world of cancer, not knowing if I was going to come back.

All at once, I was losing total control of my personal and professional life. It was a dizzying experience for the woman, the lover, the mother and the highly organized manager in me. Fuelled by adrenaline, I went into survival mode. I did everything I could to get better: osteopathy, massage therapy, acupuncture and anything else that could help me regain a sense of control.

Waves of emotion

After my diagnosis, I went through different phases: anger, sadness, fear. Feeling alone and misunderstood, I knew I was hard to keep up with, to the point where, at times, I could hardly even stand myself. I was also touched by the flowers and gifts I received, yet was disappointed by how some people reacted to the disease. Only later did it occur to me that many felt truly helpless about how to deal with it. All this put a strain on my relationship with Jean-François, but at the same time, it also strengthened it.

I worried about introducing my daughter to cancer at such a young age. When I explained what was happening to me, Sandrine burst into tears. A few moments later, she asked, "Can we play, Mom?" And that was that.

Of course, I also wondered: *Why me? What have I done to deserve this? What do I need to change in my life?* A flurry of questions swirled in my head. Especially as I came from a family of women who had no personal experience of cancer. In the end, I came to accept that nothing could explain my cancer, even though it would be part of my life from then on.

Facing the challenge, one hair at a time

Chemotherapy often causes hair loss. And because of my type of chemotherapy treatment, I had up to a 12 per cent risk of permanent alopecia, which I was determined to avoid at all costs.

At my surgical oncologist's suggestion, I opted to use a cold cap—a helmet-like hat cooled to minus 32 degrees Celsius and worn before, during and after chemotherapy sessions. It constricts the blood vessels in the scalp so that less of the chemotherapy drugs can reach the hair follicles, which dramatically reduces hair loss in most cases. Although not universally known, it's been recognized and used for many people across Canada for over 25 years.

Using a cold cap was a battle in itself. It needed to be worn 11 hours a day. It was heavy and was placed in dry ice and needed to be handled carefully. It also had to be replaced every 25 minutes, during

▼ **Marcoux and friends celebrating the end of treatment at “Chemo Prom 2022”**

► **Marcoux wearing a cold cap ahead of her first chemotherapy treatment**

my infusion, so I needed assistance. It was following a significant allergic reaction from the first milliliters of the chemotherapy drugs that the hospital finally allowed Jean-François to help me. The medication to counter the allergic reactions were going to make me unable to handle the cold caps alone. My determination paid off: I managed to keep most of my hair.

Since then, I’ve made it my cause while keeping in mind the painful statistic that eight per cent of women refuse chemotherapy for fear of losing their hair. This, I believe, has nothing to do with vanity. It’s one thing to know you are ill, but quite another to then see yourself in the mirror and in other people’s eyes. Portrayals of cancer patients tend to show people who are bald or wearing bandanas.

It’s time, I thought, to change the face of cancer, one hair at a time.

That is the aim of Keep Your Hair, a charitable organization I discovered at the start of my treatments. It all began when I met the charity’s vice-president, Sophie Reis, who introduced me to the founder, Sophie Truesdell-Ménard, one of the

first women to use the cold cap in Quebec. With her cause being so crucial and relatable to me, I suggested we team up. Since then, I have been actively involved as administrator and brand ambassador alongside Truesdell-Ménard, Reis and Cléo Maheux—all of whom are also fellow breast cancer survivors before reaching their mid-40s. We are committed to educating, equipping and guiding the public so that they know cold caps are an option and easily accessible. And this is only the beginning—we have big plans to extend our reach. For example, we are working to make cold caps more readily available in Quebec hospitals. This is a right for all cancer patients. However, some hospitals are still reluctant, and the obstacles are many, although not insurmountable. That’s why we are also involved in political advocacy to bring about change. We’re actively seeking partners to support patients financially, as the costs associated with the cold cap are high.

On a personal level, this mission takes up a lot of my time. Not only do I work closely with patients who use the cold caps—around 200 patients at present—informing, reassuring and encouraging them to continue, as the process of wearing a cold cap can be difficult for many, but I also hold numerous information sessions with hospital centres to raise awareness of the cold cap’s effectiveness and the challenges it presents. On top of that, I contribute to the organization’s website, which will relaunch by the end of 2023, and enthusiastically take part in major events, such as walks for cancer prevention and support for those affected by the disease. My daily commitment to the cause brings me great satisfaction.



It’s one thing to know you are ill, but quite another to see yourself ill in the mirror and in other people’s eyes.





▲ After facing down cancer, Marcoux is providing support and inspiration to patients who are facing their own battles with the disease. She plans to continue her work with keepyourhair.org

The aftermath

After months of gruelling treatment, I showed no sign of the disease. When I learned on July 22, 2021, that I was in remission, I actually panicked. I know it's strange, but all I wanted was to go back to the hospital the next day, because as long as I was there, the cancer could never return.

While everyone else wanted to celebrate the news, I wanted to curl up in a ball, because the real battle was beginning: I was alone with the memory of my cancer. I thought about it day after day, to the point that I convinced myself that I missed my cancer.

Too little is said about the aftermath of cancer and the conflicting emotions it brings. After the experience, I realized that it wasn't the disease that I missed, but the huge impact it had on me. I got so used to the "new normal" of having cancer that I felt uncomfortable having to return to my old life.

Return to order

After a year on sick leave, and thanks to my very accommodating bosses, I was able to make a gradual return to my work. This 10-week transition period was essential because, for the first few days, I wasn't really there at all. Unless you've been through it yourself, no one knows what it's like to return to work after cancer. We underestimate the impact, especially on mental health. Cancer feels taboo. For example, when I returned to the office, everyone called my colleagues to find out how I was, but no one asked me directly. Then I started talking openly about what I'd been through, and the more I talked about it, the more barriers came down.

I soon started spreading the prevention message to my female colleagues. To this day, I remind

them to do a breast self-exam and get a preventive mammogram, even if they have to fight for the right to do so. In Quebec, mammograms are recommended only for women aged 50 and over, so the exam is not easily accessible to younger people. This makes no sense, especially when you consider that hormone-dependent breast cancer—like mine—affects people in their 20s, and that around one in eight women will develop breast cancer in her lifetime. We need more prevention, which is another one of my missions—one in which I'm deeply invested, albeit informally, in my professional and personal networks, as well as on social media, where I post regularly to get the word out.

It is this desire to make an impact that inspires me and gives meaning to my professional life. I have been with the Order for almost 20 years and was promoted to the role of vice-president of qualification in October. I oversee the program, exams and training to become a CPA. I'm in the right place to have a positive impact on candidates and colleagues. As a manager, I would even say that the experience of having cancer has made me more sensitive to the challenges people face.

A new beginning

These days, doctors don't talk so much about curing cancer as putting it into remission. Can the disease really be cured? I won't be able to say for sure for another five or 10 years. For now, I'm learning to live with this sword of Damocles hanging over my head. The fear never quite goes away, especially before my quarterly follow-ups. Since screening procedures keep me from having more frequent scans to put my mind at ease, as soon as a symptom crops up, I turn to my breast cancer sisters for support and reassurance, knowing that health professionals cannot address all our concerns.

Cancer is always an ordeal, but it also brings unexpected gifts. It has allowed me to meet wonderful people and discover new things about myself. During my "medical journey," I was able to participate virtually in a study in the McGill University Health Centre Breast Clinic's After Cancer Coaching program. As the name suggests, it teaches people how to bounce back from cancer, even when it seems impossible—something that should be offered to all patients. This training reinforced my desire to provide support by inspiring other patients. I have always loved playing the role of mentor, but I never thought that I would one day do it with women affected by cancer, especially through Keep Your Hair.

Today, giving back is part of my recovery. More importantly, it sheds light on who the new Jasmine will be: someone who will make an impact in every area of her life. It's my way of transforming illness into something positive. ♦

MFAcc

Master of Forensic Accounting

Thinking of a career in
Forensic Accounting?



- Delivered online
- Part Time
- one class a week
- two years

Learn More
mfacc.utoronto.ca



Institute for Management & Innovation

UNIVERSITY OF TORONTO

MISSISSAUGA



Bright future ahead

These four CPAs share their personal experiences in teaching their kids the fundamentals of financial literacy

BY ROB CSERNYIK

For many CPAs, the most important financial advice they'll often share with others doesn't happen at a boardroom table. It instead takes place in conversations at the kitchen table with their kids. Or at the grocery store, or when planning family vacations or when answering questions about their kids' financial futures.

According to the Organisation for Economic Co-operation and Development in 2018, Canadian youth have a financial literacy score that "corresponds to a fluency in commonly used financial concepts," but are under-equipped with advanced topics like buying housing, investing, and saving for retirement. The same multi-country assessment found that only one in ten youth across 117,000 was performing at the highest level.

With housing prices and the cost of living booming, it's more critical than ever for youth to have a good handle on financial literacy early. This can help them avoid making costly financial mistakes while building their credit and net worth.

Increasingly, Canadian youth are taking financial education into their own hands, learning from self-

professed experts on Instagram, TikTok and YouTube. But the quality of advice varies widely and can come from people without experience or training. While provinces have been peppering curricula with financial literacy in recent years, it rarely has the prominence that it needs and teachers are often not qualified to answer sophisticated questions students may have about these topics.

That's why for about a decade, CPA Canada has been taking a grassroots approach by offering what they describe as "unbiased, functional and clear financial literacy information to the general public." This includes presentations by CPA volunteers to elementary, middle and high schoolers. The goal? To supplement their financial literacy with information developed and presented by respected experts.

Since some of the most critical financial literacy education starts at home, in honour of financial literacy month, *Pivot* spoke with some CPA parents about the lessons they've shared with their kids to set them up for their financial futures and what actions they can take to be more financially literate.



Charlene MacLeod, CPA

Halifax, N.S.

Sole Practitioner

Parent of two, ages 8 and 5

“Our family was very open with money, only because we didn’t have any,” recalls Charlene MacLeod, CPA. “We also didn’t have any debt.” This helped inform her view that it isn’t necessary to live beyond your means to have a meaningful life.

After graduating university, she viewed an accounting career as a path to a financially stable future. And today, as a parent, she doesn’t want her kids to learn financial literacy later in life or the hard way, like she did. “I think they need to learn that as foundational skills of life.”

MacLeod feels it’s important for her kids to know that money is earned. When they want to save up for the biannual book fairs at school, it’s time to figure out a way to earn their spending money.

“They always default to a chore chart,” she says. The kids design the chores they want to do, assign a financial value to each and then negotiate a price for doing it. Though they learn several lessons at once, including the reward of hard work, it’s something MacLeod says the kids, especially her eldest, have fun with.

Sometimes when the kids compare themselves to others, and wonder why they don’t have things like unlimited book fair money or an in-ground pool, it creates challenging conversations. “In some cases, they could have that if we just gave it to them, but we choose not to do that.” Though



parents want their kids to have the world, MacLeod says it’s important to stick to beliefs and values when teaching financial literacy lessons. “If they learn them at this age, they’re going to be cruising along as adults.”

MacLeod’s advice for other parents is to make financial literacy lessons child-led, and to share them in ways that fit with their personalities. While her eldest loves chore charts, she believes there are better ways to engage her younger daughter. “I’m still trying to figure out the way in which she likes to learn, so stay tuned.”

“It’s important to stick to beliefs and values when teaching financial literacy. If they learn them at this age, they’re going to cruise as adults.”



Cary Lavine, CPA

Toronto, Ont.
Retired CFO and Entrepreneur
Parent of two, ages 26 and 21

When Cary Lavine's kids were growing up, he and his wife had no grand plan for teaching financial literacy. Even doling out an allowance wasn't consistent in their home. Though they bought a book about raising financially literate kids, they seldom opened it. Instead, they tried to “walk the talk rather than just talk about it,” says Lavine, which included paying attention to price tags when they shopped. This was similar to how he learned, particularly from his “careful with money” chartered accountant father.

“I really didn't have a lot of insight into my parents' financial situation,” he says, aside from the broadest strokes. “My parents had very different financial situations, so I got to see both sides of it.” Lavine and his wife were more open about finances when their kids were growing and feels this helped set them on the right track.

Now that they're grown, his approach has become more direct. Around a year ago, Lavine's son came to him with a finance question. Lavine

started answering, but realized his daughter probably had the same question and hadn't raised it. Then he thought the same could be true of the nieces and nephews in his tight-knit family. That's why he called them up with personal invitations, put out a spread of food and hosted about a dozen of the 18-to-30-somethings and their partners to talk about their finances.

“A lot of it rests on having a decent relationship,” Lavine says. “I don't know if you can create that just for the sake of a financial literacy workshop.” The experience got Lavine interested in sharing financial literacy, which he now does as a CPA volunteer presenter.

Lavine notices a divide when he does presentations for students. “They come in with a bit more knowledge, depending on their socioeconomic status,” he says. Lavine can remember elementary schoolers in higher-income neighbourhoods asking about investing, but not their lower-income counterparts.

He has spoken to them about how small increments can make a difference. For instance, if kids save a loonie per week for a few years, eventually this will turn into a sizable pile of money. “Some kids are coming from pretty poor homes, but we all can make small changes and those small changes add up,” he says. “Compounding is one way.”

CPAs in the classroom stand out from teachers, he says—not only because it's a different voice, but someone with specific, applicable knowledge. “I think that we have an advantage in what we're delivering because we're CPAs.”



Jodie Leigh Schultz, CPA

Leduc County, Alta.

Sole Practitioner

Parent of three, ages 10, 8 and 6



Growing up, Jodie Leigh Schultz learned a lot about budgeting from her parents. “We talked about having a credit card and making sure that you pay off the balance monthly,” she says. They also instilled in her to only take on debt for constructive purposes, not simply for consumption. These are the lessons that she still passes down to her own kids, though sometimes it can come into conflict with what they may learn elsewhere.

“I don’t really think that financial literacy is a big focus academically in their schools,” Schultz says. Recently in one child’s class, the teacher mentioned that anyone who didn’t have enough

money to spend could use credit cards instead. “Which is not incorrect,” she adds. “It’s just different than the lessons that we teach.”

That’s why Schultz and her husband (also a CPA) feel responsible to “model the behaviours that we want them to have and to have conversations with them,” just like her own parents did. Sometimes this means letting her kids learn lessons through trial and error.

Earlier this year, one of Schultz’s kids emptied his piggy bank on a toy store visit. Then a few weeks later, on holiday, he wanted to buy a souvenir appropriate to the Drumheller, Alta., region—a toy dinosaur. It wasn’t expensive, and though Schultz says it would have been of no consequence to buy it for him, it felt better not to. “He could try and realize sometimes he is going to have to prioritize how he’s spending his money.” It paid off: her son ultimately pieced together that by spending less at the toy store he could have bought the dinosaur, and she’s hopeful such lessons will stick.

“We model the behaviours that we want them to have, which sometimes means letting them learn through trial and error.”

When her kids get older, Schultz would like to speak to their classes at school about financial literacy, in part to help combat misconceptions. “I think for a lot of people money is a stressor,” Schultz says, and she believes it’s unfortunate to frame financial literacy in this way.

“Sharing information is a good way to try and help set up youth for success in the future in terms of their money management.”



Scott Elliott, CPA

Ottawa, Ont.
Retired Comptroller and VP Finance
Parent of two, ages 28 and 25

Scott Elliott rose quickly through the corporate ranks to become a controller at 25 and later a vice-president of finance, but his early-career days involved working multiple jobs to make ends meet. He remembers financial challenges in his 20s, like working multiple jobs to pay for school, paying one credit card bill with another to keep afloat, even keeping a part-time job at a wine store while he was working his first accounting job. These experiences made him want better for his daughters.

“I wanted them to be able to be financially independent as much as possible,” he says, allowing them to not only avoid hardships but not to be forced into particular life situations because their limited finances kept them there. Now in their 20s, they have six-figure net worths, as opposed to what he describes as “negative net worth” when he was their age. “I’ve always explained to them that being financially independent is all about choice,” he says. A few years ago, Elliott’s oldest daughter decided to change careers, which involved moving home and going back to school. “She would not have been able to do that if she didn’t have some financial independence,” he says.

Early on, Elliott’s daughters learned about financial trade-offs. “One year I gave them an option that we get a new piano for the house, or go on a trip down south,” he says. The family vote resulted in the piano, which

“I’ve always explained to my daughters that being financially independent is all about choice.”

still sits in his home today. When the family planned a trip to Australia, Elliott made the girls contribute a small part of their allowance toward the trip. The small amount of money would not make or break the vacation, he says, “but it really puts a mindset in them from an early age.”

He sees his past work as a controller as the experience that steered him toward helping others with financial literacy, including those junior to him, those on the same level and those in higher positions. “A lot of managers don’t necessarily have the financial literacy that they need sometimes,” he says. This is even true of people in VP and C-suite offices. “That’s why it’s important to start young.” ♦



CPA CANADA SAVINGS AND OFFERS IS YOUR ONE-STOP SHOP FOR PERSONAL AND PROFESSIONAL BENEFITS, SAVING YOU TIME AND MONEY.



Over \$1,000 in savings from our best-in-class partners

We have benefits for business...and benefits for lifestyle...and for technology, and wellness and travel. As a matter of fact, CPA Canada offers you over 40 benefits to choose from. CPA Canada Savings and Offers is your one-stop shop for personal and professional benefits. Don't spend hours searching for the best deals, just visit our new flipbook on the Savings and Offers page and let us show you all we have to offer!

NEW BENEFIT!



Digital Security
Progress. Protected.

CPA Members benefit from 20% online savings on ESET's most popular cybersecurity products for business and home use.

SAVE 15%!



A smarter way to travel: Save 15% on your train trips.

SAVE UNTIL DEC 7!



Enjoy an exclusive SkiMax discount at Mont Tremblant Resort. Hurry! Offer ends Dec 7, 2023.

SAVE UP TO 50%!



Save up to 50% off on award-winning tech such as ThinkPad, Yoga convertibles, Legion / Gaming PCs, desktops, tablets, accessories and more.

SAVE UP TO 30%!



Take advantage of Bell's Exclusive Partner Program - Save up to 30% on incredible smartphone plans with unlimited sharable data.

SAVE 75%!



Stay on top of your business finances with QuickBooks Online. Get 75% off for three months.

SAVE 55%!



Save 55% on Purolator shipments within Canada. Secure time-definite delivery and Canada's most extensive network means you can ship with confidence.

SAVE UP TO \$150!



Primus offers CPA members savings on your Unlimited Internet, TV and Home Phone needs. Plus, get a sign-up credit of up to \$150!

EXCLUSIVE SAVINGS!



Save on the purchase price of select Samsung monitors, smartphones, laptops, Chromebooks, tablets, wearables and accessories.

For more savings and offers, visit: www.cpacanada.ca/savingsandoffers.



Payroll that covers all your bases

From all-in-one payroll to as fast as next-day payroll direct deposits and time tracking, help your clients without a payroll solution find the features they need in one of the new QuickBooks Payroll plans*.

Find the right Payroll solution for your clients

*As fast as next day payroll direct deposit: Available to QuickBooks Online Payroll Premium and Elite users only. Payroll submitted before 5 PM PT will be processed the same business day (excluding weekends and holidays) and deposited into the recipient's bank account the same day, next day, or in 2 business days depending on the recipient's bank. Requires setup of direct deposit and bank verification. May be subject to eligibility criteria. Deposit delays may vary because of third party delays, risk reviews, or issues beyond Intuit's control. Available only for employees, not available for contractors or tax payments.

QuickBooks Time: Time tracking included in the QuickBooks Online Payroll Premium and Elite subscription services. Features vary and may be available in English only.

Explore
Payroll plans





EXTRAORDINARY ITEM

BEAM ME UP

How this tech start-up went beyond 'reviving' dead celebrities to building a high-tech take on Zoom
BY REBECCA GAO

When Proto Inc. CEO and founder David Nussbaum was young, he dreamed of being a broadcaster. Back then, his goal was telling stories that would be heard around the world—but his love of sharing stories was taken to the next level in 2012, when he watched as the late Tupac Shakur materialized onstage as a hologram at Coachella. “The icon himself was now performing in front of a crowd; people who never could have seen him were seeing him,” he recalls.

Sci-fi star William Shatner beams in from L.A. to Australia via Proto for a keynote

PHOTOGRAPH COURTESY OF PROTO INC.

Intrigued, he tracked down the company behind the Tupac hologram and helped his then-employer buy the tech from them. While not based on those patents, Nussbaum invented the new Proto tech because he could see the limitations of the old technology by working with it closely.

For a while, Nussbaum was in the business of bringing back dead performers; he put on concerts with holographic Whitney Houston, Billie Holiday and Jackie Wilson. But the

It works similarly to video-calling apps like Zoom; users can transmit video content, which appears on life-size screens. The holographic boxes come equipped with cameras and microphones so audiences can interact in real time with those broadcasting, and the broadcasters can see and hear their audiences. There are two sizes—one that’s just over seven feet tall, and a tabletop version. “Some people have compared it to the Wonka Vision in *Willy Wonka*,” Nussbaum says.

time, cost and environmental footprint associated with transportation.

Aside from securing Canadian clients and partnerships with companies like Cadillac Fairview, a commercial real estate business, Proto has since developed a Canadian division and distributes the tech north of the 49th parallel, which Nussbaum says has been integral to Proto’s growth.

Plus, Canadian comedian Howie Mandel is now one of Proto’s main investors and brand ambassadors, with the company’s offices even being housed in warehouse space that Mandel owns in Los Angeles. “Howie just slid into my DMs,” Nussbaum says. Since then, Mandel has used Proto to beam into the Just for Laughs comedy festival in Montreal and was also beamed into the Canada Walk of Fame TV ceremony. “When he was shooting *America’s Got Talent* [in the U.S.], he was also contractually obligated to speak at a Staples event in Toronto, so we beamed him and Heidi Klum to Toronto during commercial break,” Nussbaum says.

Next up, Proto is hoping to expand their operations to more countries and create additional opportunities for audiences and groups to gather in person, even if who they’re seeing is miles away and beaming in.

“Our displays are embedded in movie theatres, airports, car dealerships and hotel lobbies, and we’re



Canadian comedian Howie Mandel showing off the tech

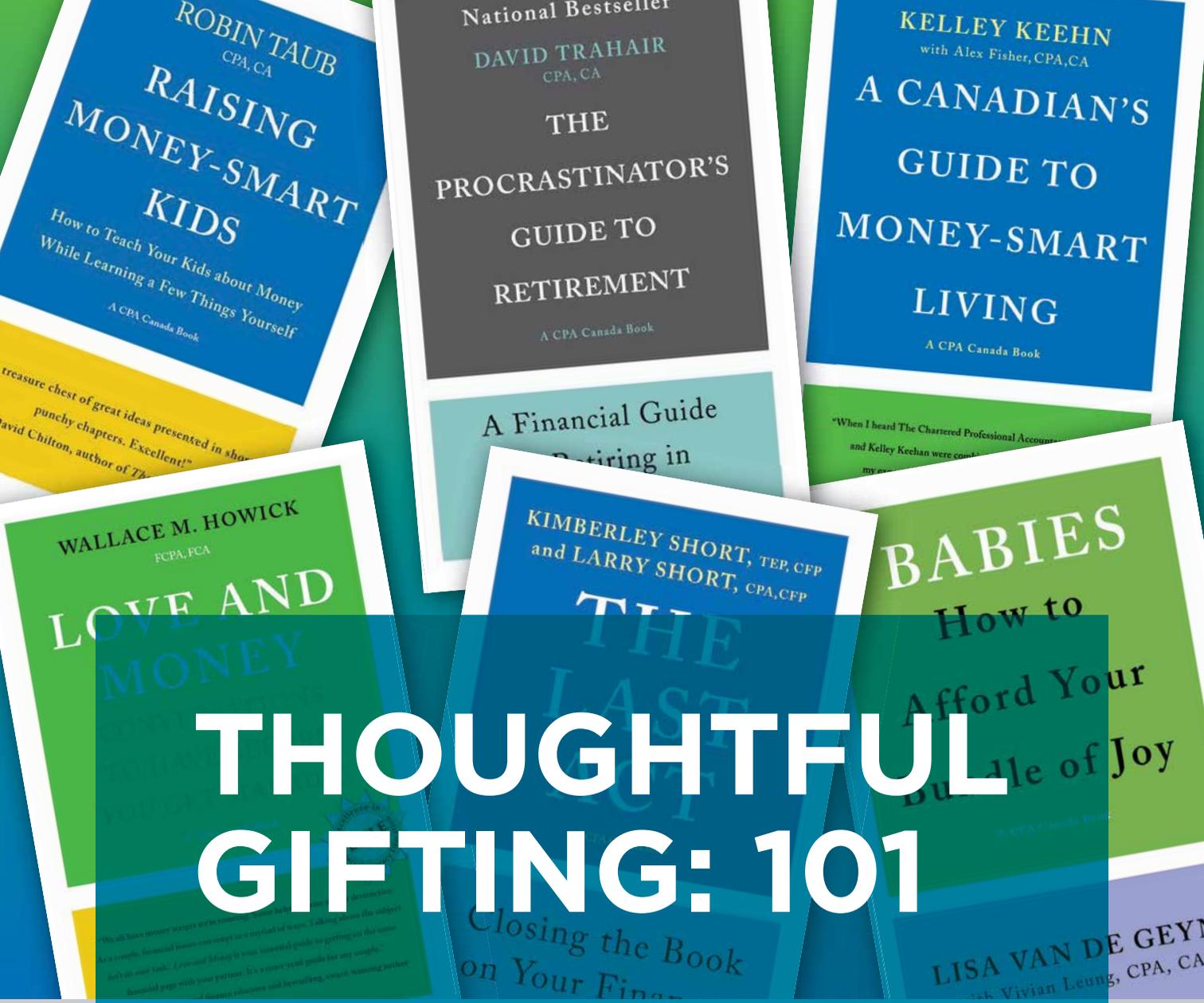
tech required massive structures, lots of human labour and millions of dollars for just one show. Nussbaum knew that he’d have to keep “booking” bigger and bigger acts to make the business sustainable. Instead, he took his love of broadcasting and his new expertise in hologram projection, mashed up the two and created a new company, Proto, in his living room in 2018.

Proto, formerly known as Portl, is a Los Angeles-based company that makes two-way holographic boxes that allow users to see, hear and interact with anyone and anything in the world. The company already has a presence in almost 30 countries.

THE SCIENCE FICTION-ESQUE PROTO COULD BE A HUGE LEAP FORWARD FOR BUSINESS MEETINGS AND LECTURES

Proto is used for remote presentation, education and entertainment—the tech has been used to beam teachers to remote areas, presenters to conferences and doctors to patients. Proto has also been used by brands like H&M and Burberry as a way to showcase their products in lieu of mannequins and traditional billboards. It’s even been used by auction houses to show expensive and hard-to-transport items. Nussbaum says users are cutting down on the

also beaming presidential candidates, religious leaders, inspirational speakers and the like onto stages in front of tens of thousands of people,” Nussbaum says, adding that Proto has benefitted from the post-pandemic demand for in-person experiences. “When a person looks like they’re physically there, it creates an emotional connection that exists only when people share the same space at the same time—we’re trying to replicate that.” ♦



THOUGHTFUL GIFTING: 101

This holiday season, gift mindfully with CPA Canada's Financial Literacy publications designed to empower your loved ones at all stages of life and improve their financial well-being.

CHOOSE FROM OUR RANGE OF BOOKS THAT ARE PERFECT FOR THIS SEASON. LEARN MORE:
cpacanada.ca/flpublications



FOOD

COME FROM AWAY

In Vancouver, the restaurant scene perfectly illustrates how immigration patterns shape a city's food culture **BY STACY LEE KONG**

The story of Anh and Chi, a modern Vietnamese restaurant in Vancouver's Main Street neighbourhood, begins at a refugee camp. After the end of the Vietnam War, Hoàng and Lý Nguyễn fled their war-torn homeland, joining more than a million other Vietnamese refugees, who collectively became known as boat people because so many of them left Vietnam on tiny, overcrowded ships. The couple landed in a Malaysian refugee camp, where Lý gave birth to their first child, a girl they named Amélie. It was because of her that their file was expedited and the small family was given a choice of a new home: Australia, Canada or the United States. They chose Canada and were eventually placed in Vancouver.

Food had always been part of Lý's life. When she was growing up in Saigon, her mother ran a small café, and she'd spend her lunch breaks washing dishes while her classmates played. Then, she'd "eat a bowl of noodles and run back to class," Amélie says, describing what has clearly become family lore. But when Lý and Hoàng landed in Canada, they picked up odd jobs to survive. Eventually, though, Lý started making phở for other members of the city's then-tiny Vietnamese community. First, the couple served it at the nearby refugee welcome centre, then out of their rental home on weekends.

"[Eventually] somebody from Public Health knocked on the door and said, 'In Canada, you need a business licence, food safety, things like that.' So, it was shut down," Amélie recalls. "But by that time, they saved up a little bit of money, so they rented a spot on Main Street and opened a 20-seat restaurant that became quite popular."

That was 1985, and the restaurant—Phở Hoàng—would be a Vancouver fixture for the next 31 years,

even opening a second location in Chinatown for a time. But after Hoàng died, Lý lost some of her passion for the business. Eventually, Amélie and her younger brother, Vincent, decided to reimagine the business. They completely redesigned the décor, modernized the menu and renamed it Anh and Chi, which means brother and sister.

The Nguyễns aren't the only immigrants who entered the food industry when they landed in Canada. According to data from the 2016 census, the food and beverage sector



Siblings Amélie Nguyễn and Vincent Nguyễn, at their award-winning Anh and Chi

is the "top employer of recent immigrants in Canada [and] new immigrants are helping to grow the food services sector." Nationwide, 53 per cent of business owners in the food and beverage sector are immigrants, and in B.C., that number rises to 61 per cent. Unsurprisingly, this impacts the type of restaurants that open in Canadian cities; new immigrants tend to open small,

mom-and-pop restaurants that reflect their own cultural heritage. But the impact of immigration on Vancouver's food culture—how food is grown, distributed and served, both in homes and restaurants, and the social and cultural beliefs that shape how, when and what we eat—is even deeper than that.

"The dominant narratives of immigration are usually that European settlers came first as explorers, then everybody came after. But when we look at the records, the ships [that arrived in Canada] were diverse. There were South Asians, there were Chinese, there were Polynesians, there were Africans—all the people from the colonies were there, and they did all the work," says April Liu, a historian and the manager of public programs and

education at Vancouver's Chinatown Storytelling Centre, pointing out that there would be no Vancouver without the diverse immigrants who grew and cooked the food.

Liu means that literally. Some of the earliest farmers and food distributors in B.C. were Chinese, who rented land from the Musqueam people, whose traditional territory includes what is now Vancouver. South Asian



PHOTOGRAPHS: FOOD BY MARK YAMMINE; LY THI NGUYEN BY ANGEL LYNNE

farmers would eventually join them, while African immigrants tended to enter the distribution side of food production, and Japanese people worked in fruit orchards and on ranches. Vancouver's growth could not have been sustained without the diverse immigrants who grew, distributed and cooked the food, Liu argues.

Chinese immigrants also developed an entirely new style of cuisine, replicating a trend that emerged wherever this group settled: "Chinese people were [also] in the rich people's homes, cooking food for them, and they were starting this cuisine in the Chinatown area that was a fusion of Cantonese cuisine from southern

ANH AND CHI EXEMPLIFIES THE CULTURAL IMPACT OF ASIAN IMMIGRANTS IN THE B.C. FOOD SCENE

China, but adapted to a North American palate," Liu says, pointing to the invention of dishes like chop suey, General Tso's chicken, orange chicken, spring rolls, etc. "All those Chinese-Canadian and Chinese-American dishes were born in that era, because they wanted to make it palatable to the white population."

This wasn't just about economic necessity; it was also a survival mechanism, she says. Chinese immigrants began opening small restaurants and cooking dishes that

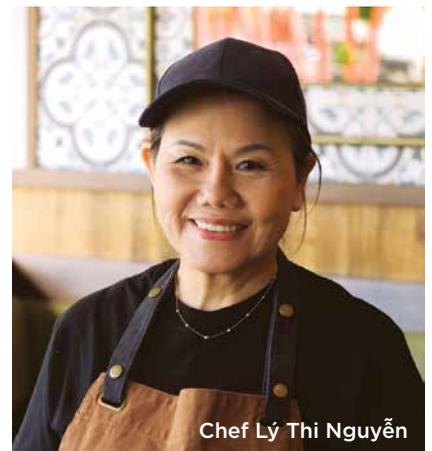
appealed to white Vancouverites' tastes as a way to combat discriminatory myths and misconceptions about their food, and more broadly about the people.

Carol Lee, chair of the Vancouver Chinatown Foundation, points to the emergence of Hong Kong-style cafés, which serve food that is influenced by the region's British colonial past, as an example of how the immigrant influence on the city's food scene is layered and always evolving.

"Initially, most people had exposure to Cantonese cuisine," she says. "But as immigration patterns change, so does what people experience."

It's this impact, both present and historical, that her organization tries to honour with its current campaign to revitalize Chinatown, which began falling into disrepair in the '90s due to a combination of factors, including gentrification, concerns about public safety (the neighbourhood borders the Downtown Eastside, which has long struggled with poverty and drug use) and the loss of local business owners, who began relocating to nearby suburbs in search of more space and cheaper rent.

"What we hope to do here is to give people a pride in their past," she says. "Just giving people a sense of what that history was, how it's an important one and why we belong." ♦



Chef Lý Thi Nguyễn

DESIGN

BLASTS FROM THE PAST

From Barbiecore to McDonald's Grimace-focused ad campaign, nostalgia-driven marketing is everywhere. Will it ever stop working? **BY SARAH LAING**

This summer, *Barbie* became the first movie directed by a woman to earn over a billion dollars at the box office. While some of that success is due to the brilliance of the film itself, the cultural phenomenon it became also owed something to its colossal marketing budget: US\$150 million, which is more than it cost to make *Barbie* itself. And there was one key tool that the numerous brand partnerships and activations had in common: the power of nostalgia marketing, which is essentially using the pull of the past to make you spend money in the present.

The word “nostalgia” itself was coined all the way back in 1688, when a Swiss doctor named Johannes Hofer used it to describe what he felt was a medical condition defined by an almost “manic” longing for a place or thing. These days, our definition has softened somewhat—it’s now a warmer, fuzzier feeling, tinted with sentimentalism—but its ability to influence our behaviour, it seems, is no less diminished than it was in the 17th century. Case in point? The *Barbie* movie is not alone in using nostalgia marketing to trigger our instinct to consume. Earlier this year, McDonald’s went viral with a social media campaign celebrating the birthday of mascot Grimace, Ronald McDonald’s slightly terrifying purple blob of a best friend, a character that was first introduced in 1971. It was facetious—people filmed videos of themselves having “paranormal experiences” after drinking the limited-edition purple shake the campaign was selling—and reached over 3.5 billion sets of eyeballs on TikTok alone. Because that’s the other thing about nostalgia marketing,



The Barbie movie grossed \$1.4 billion worldwide in 2023



McDonald's mascots Ronald McDonald and Grimace

While it works across the generations, some have argued that in 2023 it seems to be finding particular success with younger people, arguably those who have the least to be nostalgic about at this early stage in their lives.

“Gen Z loves engaging with nostalgia because it makes us engage with a romanticized version of the past and of a simpler time,” says Erifili Gounari, founder and CEO of the Z Link, a marketing agency aimed at—and run by—folks from the cohort of consumers in their teens and early 20s today. “It’s mostly when it comes to fashion, simpler technology, being in the moment more, and embracing the fun aesthetics of the ‘80s and ‘90s—for example in design trends.”

As Gounari says, “Romanticizing things is core Gen Z behaviour,” something that makes sense when you consider the context of our time:

a tumultuous present (including a pandemic) and an uncertain future, where all of the things taken for granted in the past—a stable career, a home of your own, a habitable planet—aren’t guaranteed.

“For it to work, nostalgia-driven marketing and content needs to authentically and genuinely refer to things that were positive, and engage with Gen Z’s positive memories of the past and beautiful feelings that we perhaps haven’t re-explored in years,” says Gounari, who recently worked on a campaign with a client where they made branded disposable cameras to conjure up memories of Kodak’s soft-focus photos.

Ben Varquez, managing director at YMC, a youth marketing agency based in Washington, D.C., has a slightly different take on who nostalgia marketing really impacts.

“Gen Z and Gen Alpha are interesting because from an older marketer’s perspective, their preferences and trends look to be nostalgia-driven. On some occasions they are, like the Luddite/analog movement or some aspirational fashion and lifestyle trends, but at the same time they borrow from so many decades, eras and past trends that it feels like younger consumers are just creating their own world by borrowing small pieces from the past,” he explains. “I’m not sure I would call that nostalgia marketing. I think

nostalgia marketing has shown to be most effective when targeting Gen X and millennials, but [it's really] pulling Gen Z in via micro-trends."

While it's true nostalgia pulls in the "older" crowd, it's novelty—even if it's older stuff that's new to them—that grabs Gen Z by the feels. To that end, Varquez has recently built campaigns around iconic childhood moments (think: fair or carnival experiences or activations featuring high-tech/modern takes on playground equipment). That even extends to freebies and giveaways, which have included fanny packs, bucket hats and vintage digital point-and-shoot cameras.

It begs the question: Why do so many adults today seem to want to feel like children again? For Sam Maglio, an associate professor of marketing and psychology at the University of Toronto Scarborough and Rotman School of Management, it comes back to the fact that humans will always regard the past as being a better time—whether or not it actually was.

"They tend to simplify the past in a way that puts a rosy sheen on it," says Maglio. "The present moment is complicated, and full of ups and downs. When it's not 'right now,' whether the future or the past, we tend to see it favourably, and when it's favourable, of course you want to connect with it." And, in a capitalist society, "connecting" often means buying, whether that's a ticket to see a film or a T-shirt with your favourite childhood character on it.

Our specific moment, where inflation is rife and recession possibly imminent, is also a probable factor here, says Maglio.

He points to the fact that in the economically buoyant mid-century, advertisers often leaned on the aspirational futuristic newness of products. "Like, 'I want to drink Tang because that's what the astronauts drank!'" There was a continuous drive for what's next, what's innovative, what is the future going to look like and how can I be part of it now?" Maglio says.

When your financial resources are limited, he continues, you're far more likely to choose the familiar, the tried-and-tested. "That future-looking option is risky. It could be a big waste of money—but I know I'm going to enjoy this thing because I enjoyed it 20 years ago."

This effect is magnified if you're a millennial or Gen X who may be feeling like life hasn't quite panned out the way you thought it would when you were a kid. It's for this reason that Maglio believes nostalgia marketing will always be a powerful lever for marketers to pull, something YMC's Varquez agrees with.

"All trends in marketing become oversaturated eventually—but I can't imagine nostalgia ever completely dying as part of brand campaign strategies," he says. "Right now, there's definitely some fatigue around partnerships or collaborations that rely on nostalgia marketing to make sense, however, nostalgia on the whole seems to be going strong." ♦



Effective Aug. 5, 2023, Katherine Hanratty was appointed to lead CPA Professional Liability Insurance Plan Inc. (CPA PLI) as its new CEO.

Katherine is an accomplished business leader with over 30 years of experience in the property and casualty insurance sector — including executive leadership responsibilities across core functions including strategy, sales, distribution, underwriting and claims. Both strategic and results-driven, Katherine has spent the past decade leading significant transformation for insurers, developing and executing strategies that promote strong client engagement and thoughtful operational improvement that allow organizations to achieve financial success. The Board of Directors of CPA PLI has said Katherine's proven ability to champion change and deliver results makes her an excellent addition to the team, as CPA PLI continues to deliver value and strengthen relationships with accountants and their provincial associations.

CPA PLI champions and coordinates a "profession-specific" professional liability insurance solution for more than 7,000 CPAs in public practice within Canada and Bermuda. Designed by CPAs to protect CPAs, the purpose of CPA PLI is to mitigate the insurance-related risks of the profession to allow policy holders focus on their practise. CPA PLI fulfills its purpose by ensuring: the availability of coverage to all CPAs; broad coverage that meets the needs of the profession; long-term stable pricing; technical claims-handling expertise with over 30 years experience assisting accountants and proving relevant risk education and guidance on emerging trends. Our company is comprised of qualified professional accountants, lawyers and insurance professionals, all committed to helping CPA members.

CPA PLI appoints new CEO:
Katherine Hanratty

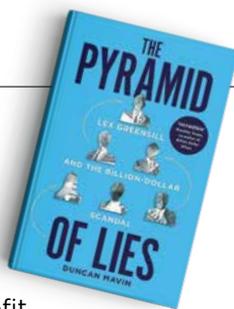


CPA PROFESSIONAL LIABILITY PLAN INC. RÉGIME COLLECTIF D'ASSURANCE RESPONSABILITÉ PROFESSIONNELLE DES CPA INC.

BOOK VALUE

DISHONEST TRUTH

The story of how Lex Greensill's proliferation of deceptions led to disaster, turning a pyramid of profit into a crumbling house of cards **BY BRIAN BETHUNE**



There are lessons aplenty to be learned from *The Pyramid of Lies: Lex Greensill and the Billion-Dollar Scandal*, accountant and financial journalist Duncan Mavin's riveting take on the rise and March 2021 fall of Greensill's "fintech" house of cards. Admittedly, most of those lessons inspire a degree of cynicism. Some are mild—the presumably well-lawyered author consistently and politely describes the most blatant contradiction of facts uttered by Greensill as "misleading." Others are stark: small firms and individuals went bankrupt, while enablers the size of Japan's massive SoftBank didn't suffer much worse than a headache. More to the sharp point, Greensill, son of an Australian farmer, remains ensconced in his English manor, in full personal possession of millions of pounds—even if many have begun to evaporate in legal fees.

And that's without focusing on the aspect of the scandal that most infuriated the British, the fortune Greensill paid former prime minister David Cameron for little more than opening doors from Japan to Saudi Arabia to (more ominously) the U.K. civil service. In February 2020, a year after Mavin first wrote about what was going on within Greensill Capital, the journalist met a source in a hotel café who passed him a book within a padded envelope. Later that day, someone broke into Mavin's car, ignored brand-new gift purchases also present and stole that package. An unlikely coincidence, to put it mildly.

If those aspects of *Pyramid* are disturbing, the overall achievement is exhilarating as a history lesson. Mavin dives as deeply into the financial world that his ferociously ambitious protagonist encountered as he does into Greensill himself. The former, as it turns out, is far more interesting. After the 2008 financial

crisis, in a seemingly endless low-interest environment that was not generating returns—or for financiers, fees—at previous levels, old-guard banking was in upheaval. There were some idealistic bankers interested in democratizing finance, and more looking for higher personal returns, as well as politicians seeking cheaper ways for smaller firms to borrow.

That made for a volatile, open-to-new-thinking combination, especially when regulators—inevitably governed by rules and authority bound up with yesterday's practices, not today's innovations—were slow to adapt, Mavin writes. Fraudsters, on the other hand, are always among new tech's most enthusiastic early adopters. (A decade before Samuel Morse dispatched his famous first words by telegraph—"What hath God wrought?"—two French bankers in Bordeaux had already hacked into their government's Paris-to-Bordeaux semaphore system to get insider information on stock exchange news.)

SMALL FIRMS AND INDIVIDUALS WENT BANKRUPT, WHILE ENABLERS DIDN'T SUFFER MUCH WORSE THAN A HEADACHE

Cometh the hour, cometh the man, runs the old saying, and the financial world was in a perfect mood to listen to a smart, charismatic apostle for supply chain finance. SCF arose from factoring, a very old financing mode that let raw material suppliers secure payment from buyers—who hadn't yet made their products and secured the funds to pay—via a middleman, a "factor" who bought the invoices at a discount and later recuperated it in full from the buyers. Technically, SCF is reverse factoring, through which buyers sell their debt rather than suppliers

their credit. Either way, suppliers are paid more quickly, see their cash flow regularized and escape bullying from large buyers, who have been known to arbitrarily extend payment delays.

For governments, often their nations' largest buyers (especially in health expenditures), for bankers looking for new fee sources and for investors seeking start-ups that offered potentially huge returns, it sounded good. Greensill's problem was that SCF was never a huge money-maker, certainly not to the level that Greensill—who operated four company jets and owned luxury homes in Britain and Australia—desired or needed to entice major investors. So, he funded his pretend SCF business by using investors' money to finance continually rolled-over short-term loans to the kind of client big banks recoil from, most notably Sanjeev Gupta's murky assortment of iron and steel firms.

For a while it worked like a charm: by late 2019, Greensill Capital was a unicorn, a start-up valued at over a billion dollars, and Lex Greensill himself had hundreds of millions. But when spooked insurers finally cut and ran 15 months later, pulling out one of the bottom-level cards from Greensill's house, the entire structure collapsed.

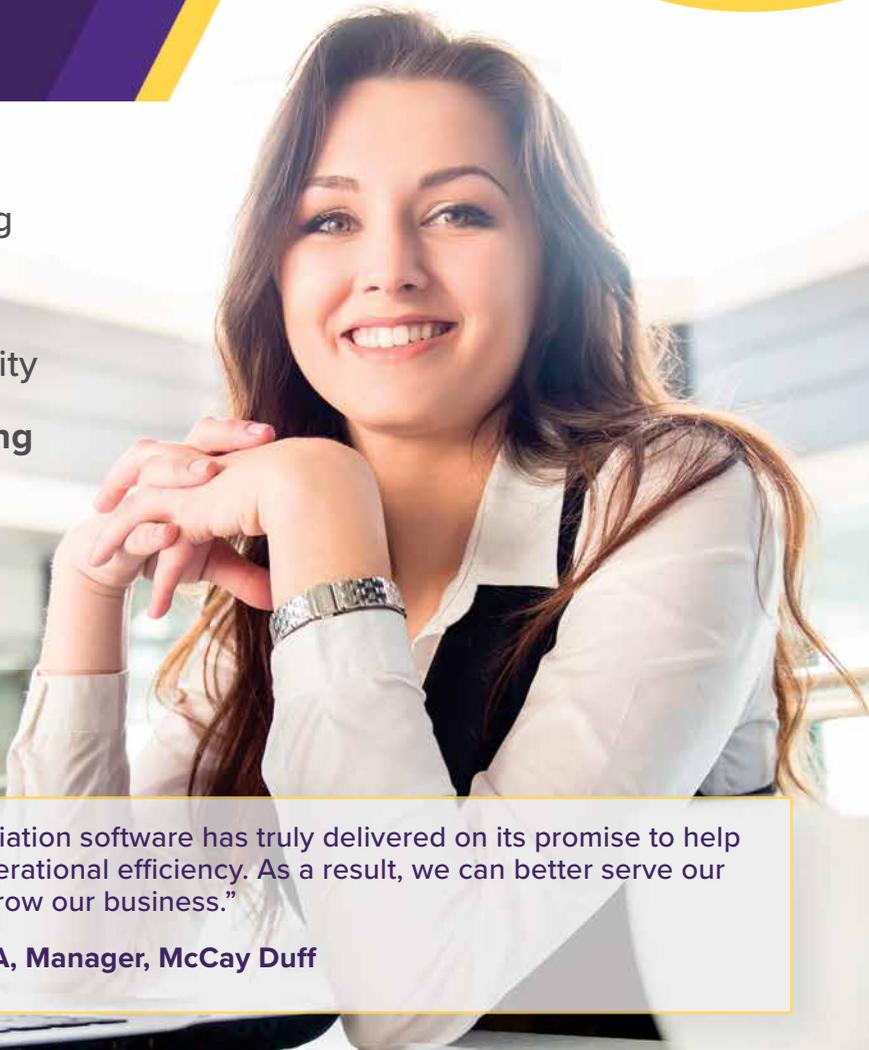
Mavin displays extraordinary dedication to detail in this story of

blind ambition and blind regulators, the revolving door between government and business, and a system where the big players never really lose even when what they backed turns to dust. And it all ends more with a whimper than a bang. Lawyers and accountants are still sifting, profitably, through the wreckage, Mavin notes, while SCF may well be regulated into "oblivion." And Greensill—like Adam Neumann before him, the fallen head of WeWork, SoftBank's previous worst-ever mistake—might emerge again as a financial force. ♦

Still doing your investment bookkeeping manually?

SaaS & Outsourcing Solutions

Family offices and accounting firms across Canada trust Artiffex to increase productivity and profitability by automating investment bookkeeping.



“Artiffex’s accounting reconciliation software has truly delivered on its promise to help us save time and increase operational efficiency. As a result, we can better serve our clients with confidence and grow our business.”

Jennifer Wakeham, CPA, CGA, Manager, McCay Duff

FAST. PRECISE. SECURE.

Contact us today



ARTIFFEX™



info@artiffex.com

artiffex.com

514.843.9855

Powered by  ndexsystems

TECHNOLOGY

BYE-BYE BIRDIE?

We're currently experiencing the end of an internet era. What now? **BY CORRINA ALLEN**

One morning over the summer, unsuspecting social media users swiping groggily at their devices, perhaps in an effort to find the snooze button on their alarm app, came across an unfamiliar icon. The little blue bird that had symbolized social media giant Twitter for more than a decade was now an anonymous black and white X. The change precipitated a substantial drop on the Apple App Store's Top Downloaded chart, but it was only the

connections could be forged, and conversations could be had, our Twitter, Facebook and Instagram feeds now have us on a diet of reposted video content, self-promotion, and ads. Trolls and reply guys creep like fungus and harassment makes the leap from online to IRL with fatal consequences.

In 2019, a regional-level German politician who supported open immigration policies was hounded on social media before being murdered



latest bit of drama for Twitter. Since being purchased by Elon Musk in 2022, the platform has been at the centre of a series of lawsuits, high-profile firings and controversies over the reversal of bans against posters who use it to disseminate dangerous misinformation and petty insults on a rotating basis.

The chaos at (and on) Twitter is emblematic of the state of social media today. Once touted as online spaces where communities could grow,

outside of his home by a neo-Nazi. It's an extreme example, but social media platforms have become open channels for extremism, hate speech and misinformation. Also: ads. Even those of us who still get some utility or enjoyment from social media can probably agree that these platforms aren't "good."

So, what's next? Cryptocurrency.

No, really! Not the volatile financial system of digital tokens and coins,

but the principle of decentralization—and the technological structures that support it.

"The history of the internet basically swings back and forth between centralization and decentralization," says filmmaker Dylan Reibling, whose current project is a documentary titled *The End of the Internet*. "We have a lot of preconceived notions about the internet being this decentralized Wild West where anybody can communicate with anybody in a hierarchy-free manner, but that's a theoretical idea based on some of the original technology. In reality, the internet that we experience on a day-to-day basis is highly controlled and highly centralized under corporations like Meta, Google and Twitter."

The way that the internet is structured, Reibling explains, favours corporate control over both information and our online identities. When Meta launched Threads, for example, they simply shuttled their massive cache of user data (our digital identities) from Instagram into the new app—whether some users wanted it there or not.

"This new wave of decentralization is basically people taking the lessons learned from Bitcoin and blockchains and starting to find new uses for them," says Reibling. One such use is the establishment of decentralized online communities. "Instead of Twitter, which is everybody everywhere all the time [and] everyone is in communication with everyone else, maybe it looks like smaller dark forest communities or cozy web communities."

The dark forest theory of the internet comes from Kickstarter co-founder Yancey Strickler, who defines these emerging communities as "spaces where depressurized conversation is possible because of their non-indexed, non-optimized, and non-gamified environments" and says that the cultures found in these communities are more in alignment with the communities we build in the physical world.

These spaces come in varied forms: newsletters, podcasts, Slack channels,

and invite-only message boards or Telegram groups. “Discord is a good example of what the future probably looks like,” says Reibling. “Maybe people wear a bunch of different hats there. They have their little niches in the same way that people have their group chats. Maybe they go to this platform to talk about sports, and that platform to talk about science.”

Reibling sees both upsides and downsides to this scattering of users spending less time on platforms like Twitter and more time in their niche communities. “I think it’s easier to build a stronger community with fewer people,” he says, citing the private discord server Friends With Benefits. Applicants are carefully vetted by insiders already using the platform.

“That model can be used for other communities like local Black Lives Matter movements,” says Reibling. “You can have a strong, cohesive group with shared values where you’re presumably not under the surveillance of trolls or law enforcement or intelligence agencies.”

The catch is that FWB is a crypto-based digital co-op and charges a 75 \$FWB full membership fee. At one point in 2022, that amount was equal to US\$3,400, a huge barrier to entry for most people. The other downside is the potential for these gated spaces to become enclaves in which racist or misogynistic ideas concentrate and accelerate. There isn’t a simple ‘centralization is good/decentralization is bad’ dichotomy. “It’s complicated,” says Reibling.

“The fundamental dynamic is that things tend towards centralization because centralization allows for scale, and scale is very profitable,” he explains. “While there are a lot of people doing interesting work and putting their money where their mouth is in terms of building these decentralized platforms, they just can’t be as profitable as monopolies. Decentralized apps, hardware and software resist scale, resist monopoly and resist profitability. Decentralization is an uphill battle.”

One that, if we want it, we may have to pay for. ♦

(Left to right) David Suzuki, Sarika Cullis-Suzuki and Anthony Morgan



SCIENCE

FORCE OF NATURE

This fall, Anthony Morgan will become co-host of the iconic CBC nature show, *The Nature of Things*. He tells *Pivot* about his approachable, fun take on science education—and why the world needs more of that right now. **BY TAYO BERO**

When Anthony Morgan was in high school, he didn’t particularly like science.

Morgan, who is currently pursuing a PhD in molecular science at Toronto Metropolitan University, always knew he was good at the subject. But it wasn’t until he got a job at the Ontario Science Centre as a “Host”—the person who walks around in a white lab coat “mic-dropping” science information and conducting cool, interactive experiments—that he really fell in love with it.

“I started to realize if you understand the world around you, you can do incredible things,” he says. “It was like getting a superpower.”

Morgan has spent the time since developing his signature approach

to science: informal, fun and always educational, including public and often large-scale science demonstrations—like the time that he vacuum-sealed himself to a building in downtown Toronto.

His love for talking about science—and having fun while doing it—has put Morgan in the host seat of several science programs for the CBC, the Discovery Channel and more.

And as he prepares to take over as the new co-host (along with Sarika Cullis-Suzuki) of the much-celebrated CBC landmark TV show *The Nature of Things*, he says that he will be bringing with him that style, as well as some wise words he received from the show’s former host, the legendary scientist David Suzuki.

What do you think is missing from the way that we're thinking and talking about science?

I think that most people assume science is the shape of a benzene ring or memorizing exactly what chlorophyll does, so they think it's really boring, and they say it's really hard. To me, science is a process that we engage in when we have questions about the world that we don't know the answer to. It's something that literally anybody can do for any problem they have in their lives. It's just how you think about solving that problem.

"I WANT TO BRING THAT SENSE OF PLAYFUL CURIOSITY, AND THAT THERE'S NO DUMB QUESTION."

How do you like to approach conversations about science and science education?

I like to do informal stuff. I don't want people to feel like they're at a lecture when I'm talking to them about science. For me, we are peers exploring; I am not a professor explaining. So, we find some weird problem that we didn't even know we wanted to know the answer to, and then we collaboratively come up with: "How do we know? What things can we do to test our ideas? What things are we likely to be wrong about? And how can we figure out where the blind spots in our thinking are?" I always think of Calvin and Hobbes going on an adventure, learning about the world around us.

Why is it important to make science education interactive and accessible, even for adults?

Especially for adults. We just came through a pandemic where we all had a really hard time agreeing about what the best way forward was. And as far as I can tell, science is the best way of thinking we've ever come up with in history for solving really big complicated

problems. But it's not the only tool we need. Because if we can't co-operate, if we can't get along and agree about the strategies we want to adopt, then all the science in the world doesn't do us any good. We have to make sure everybody's on the same page about what things are true, what things are not, and how we would know.

Tell me about how you're going to approach your new role as co-host of *The Nature of Things*.

The main thing I want to try to bring to the show is that sense of playful curiosity, and that there's no such thing as a dumb question. It's all about asking some of the weirdest questions at the intersection of science and society, things that affect people's daily lives. And there's no topic too silly or profound or taboo that we won't ask, and we get to apply the tool of science to thinking about the weirdest and most fun ideas we possibly can find. To me, there's nothing more fun in the world than exploring big, weird, crazy ideas with lots of strangers.

What are you most excited about as you take on this new role?

God, I mean, my job is to be professionally curious the way that kids are. I am basically a six-year-old who has never had to grow up. I can travel around the world asking the smartest people in the world: "Why? How does that work? How come?" I could not be happier.

And you're also filling some pretty big shoes as you take over from the show's former host, David Suzuki.

Did he offer you any words of wisdom when you got the job?

He gave me really good advice. He said, "Don't try to be me, because you're not. You should just be you. They hired you because there's something special about you in the way that you approach science and the way that you engage with the public. So just be yourself. Let yourself be curious the way that you already are." I took that to heart, and it's exactly what I'm going to try to do. ♦

PIVOT RECOMMENDS

Off the clock

BY CHRIS POWELL



Watch

Can a perfect summertime read be an equally entertaining wintertime watch? We'll find out on Dec. 8, when Netflix brings Rumaan Alam's *Leave the World Behind* to streaming with an A-list cast that includes Julia Roberts in her Netflix debut, Oscar winner Mahershala Ali, and others. It focuses on a family whose vacation at a luxurious Long Island Airbnb is interrupted when the home's owners show up, bringing news about a possibly apocalyptic event that has crippled the East Coast.

Read

Sam Bankman-Fried was the face of cryptocurrency's remarkable rise and its abrupt decline. The former head of FTX was "crypto's Gatsby," commingling with CEOs, celebrities and country leaders, but now faces up to 115 years in prison on charges including wire fraud and money laundering. *New York Times* best-selling author Michael Lewis had unlimited access to SBF during the unravelling of FTX and it's all captured in *Going Infinite: The Rise and Fall of a New Tycoon*.

Listen

In *Search Engine*, PJ Vogt and guests try to answer questions that some may have pondered, but have not thought to ask, like "How sad are the monkeys in the zoo?" and "How do I find new music now that I'm old and irrelevant?" Its 18 episodes are more than just facile examinations of these burning questions, however, as Vogt takes particular delight in delving deep into a question.

PHOTOGRAPH COURTESY OF NETFLIX



Canada's premier tax law firm.

Working together,
we share an uncompromising
commitment to excellence
in everything we do.



THORSTEINSSONS LLP
TAX LAWYERS

thor.ca

CLASSIFIEDS

External Monitoring

CYCLICAL FILE INSPECTIONS, ENGAGEMENT QUALITY CONTROL REVIEWS, FINANCIAL STATEMENT PRESENTATION REVIEWS, COMPLEX TRANSACTIONS.

Over 25 years of experience, practice inspection committee member, IFRS, ASPE, ASNPO specialist, public company experience. Visit www.jonesoconnell.ca, call 905-688-4842, or email email@jonesoconnell.ca

Professional Opportunities

Shared Office Space With a CPA, LPA Prime Stoney Creek, ON shared office space with a CA, LPA practitioner. Excellent start-up opportunity for a new or growing sole practitioner. Move-in ready. WiFi and other administrative amenities are included. Please call Alan 905-912-1564

Practice for sale: Small practice in Dashwood, Ontario. Will be of interest to a CPA with public practice experience currently located in Waterloo, London or Sarnia which would be an easy ☺

commute to the Dashwood location. Please send an email to dashwood127@hay.net attn Joseph Kukurin if you are interested in this opportunity.

Partnership Opportunity in Northwest Saskatchewan

Highly profitable, well established and growing CPA practice with a mix of personal tax returns, compilation and assurance engagements. Reply in confidence with background information to CPApartnershipNWSK@outlook.com. Confidentiality ensured and expected.

Shared Office Space Prime Downtown Toronto,

ON shared office space. Excellent opportunity for a professional or small company. Move-in ready. WiFi and other administrative amenities are included. Please call Maria at 416-994-4119.

Advertising Disclaimer: Paid advertisements appear in Pivot Magazine, including print and digital formats. CPA Canada does not endorse or evaluate the advertised product, service, or company, nor any of the claims made by the advertisement. The authority to decide what learning program constitutes acceptable CPD to meet regulatory requirements remains solely with each provincial CPA body in respect of each of its members.

LESTER LANDAU
Chartered Professional Accountants

ל'ס ל'ס ל'ס
פאָרשטעלונגס־פּראָפּערסאָנעלע אַקאָונטאַנטן

CONTRACT POSITIONS IN ARCTIC CANADA

Nunavut firm requires experienced public practice auditors. Travel to Nunavut is preferred but remote options may be available. CPAs should have recent public practice audit experience, a strong knowledge of CaseWare, excellent interpersonal skills and the ability to work independently. Excellent remuneration for hard work. Travel and accommodation is provided.

Please send your reply to shawnlester@lesterlandau.ca.

CARTERS
LAWYERS & TRADEMARK AGENTS

www.carters.ca

2023 Carters Annual Charity & NFP Law Webinar

Thursday, November 9, 2023 - 9:00 am ET
Eligible for 3.5 hours CPA PD requirements

Details at www.carters.ca
1-877-942-0001 x273
seminars@carters.ca


WINDSOR

SCALE YOUR BUSINESS AT A SURPRISINGLY LOW COST

OUR SERVICES

- 🔴 Bookkeeping
- 🔴 Accounts Payable/Receivable
- 🔴 Bank/Revenue Reconciliation
- 🔴 Preparing Financial Statements

WHY CHOOSE US?

- 🔴 Led by a Canadian and UK-certified CPA
- 🔴 5-hour free trial
- 🔴 Data Protection & Security
- 🔴 Fast turnaround time

For more information, contact us at
fpo@windsorindia.com or scan the QR code



ORBST Quality Assurance Specialists
A division of David M. Orbst, Chartered Professional Accountant

Is your Practice Inspection coming up this year?
Then call us now, the CPA Practice Inspection and External Monitoring Specialists!

With over 40 years of experience and thousands of files and financial statements successfully reviewed, we will exceed all of the CPA Practice Inspection requirements and CPAB Standards for firms across Canada!



When excellence counts, call us now at:
416-835-3283
Or visit: www.orbstqualityassurance.com



**PRACTICE
FOR SALE**

MMCA & Associates Group of Companies



Selling your practice?

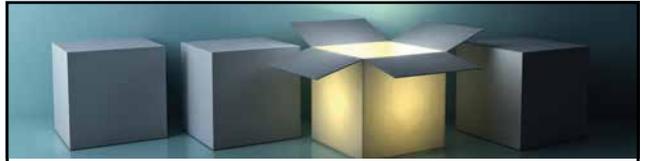
Available Now:

Okanagan, BC - Asking \$160K

High River Region, AB - Asking \$1.5M

practiceforsale.ca info@practiceforsale.ca

Calgary 403.402.2679 Toronto 416.874.0592



ThinkTWENTY20

An innovative, thought-provoking magazine for financial professionals.

ThinkTWENTY20 is the go-to place for financial professionals who think deeply and creatively about how we can master the future. Stay fully informed and up-to-date on the issues that are changing just about everything in the way you work.

Check out, and subscribe to, the magazine at thinktwenty20.com.



ThinkTWENTY20
The Magazine for Financial Professionals



Accused of Professional Misconduct? We can help.

James Lane has represented numerous CPAO members involved with professional conduct investigations, discipline hearings and appeals. Don't take chances with your professional reputation. Get proper legal advice.



416-982-3807 | www.tbll.ca | jlane@tbll.ca



Buying Your Practice

Building Your Practice

Selling Your Practice

From your first tax season to your final journal entry...
You can always count on Poe Group Advisors.

It's about the destination **POE GROUP** and the journey. **ADVISORS**

Whether you're buying, building or saying "bon voyage," Poe Group Advisors is there for you.

To view our practice marketplace and complete library of resources, visit PoeGroupAdvisors.com today.

PoeGroupAdvisors.com | AccountingPracticeAcademy.com



Personal Finance Webinars for CPD Credits

Watch popular CPA course instructor Kurt Rosentreter, CPA, CA, talk money in the following webinar courses:

1. Investment Portfolio Design
2. Stocks, ETFs & Why No Mutual Funds
3. Designing Retirement Income
4. How to Build a Personal Financial Plan
5. The A,B,Cs of Personal Insurance
6. Financial Planning for 30-40 Year Olds

Look for Kurt's Course in your Provincial CPD Catalogue under Wealth Management.

Learn about Kurt, a 17 year CPA Association Course instructor at www.kurtismycfo.com



Quality Assurance Specialists

A division of David M. Orbst, Chartered Professional Accountant

ARE YOU READY FOR THE NEW QUALITY MANAGEMENT STANDARDS?

Effective December 15, 2022: The New Quality Management Standards are here!

WE CAN HELP YOU TO IMPLEMENT THE NEW STANDARD!

When excellence counts, call us now at:
416-835-3283

Or visit: www.orbstqualityassurance.com

HEAVY HITTER

At 47, Sue-Ling Yip's storied career successes at the forefront of forensics accounting match her accolades in the physically demanding fields of Muay Thai and professional bodybuilding—placing top 5 in nearly a dozen shows and bringing home the Miss Figure Canada Title in 2014. Not yet satisfied with these accomplishments, Yip plans a return to professional bodybuilding by the time she's 50. **BY ALEX CORREA**

In 1998, I moved to Toronto from Montreal to work in financial services and joined a Muay Thai (martial arts) gym as a hobby.

I would show up at the office with all these bruises and black eyes from training, confusing my co-workers. But I really enjoyed it and ended up training and fighting in Thailand and, in 2009, I won gold at a provincial championship.

I witnessed the transformation of a few women at my gym who trained for a fitness show, and I was amazed and impressed. And since I'm a person who likes a challenge, I signed up. **I started in 2009 and placed in the top 5 at several shows until 2016.**

With bodybuilding, everything you do, you gotta do it right. You can't cheat on your diet or on your workout. You don't cheat yourself at work either. **It puts you in a very disciplined mindset, and then you become obsessed with perfection.** So, that's not a bad thing to bring to work either.

I've spent over 25 years working in financial services, from regulatory compliance to anti-money laundering. **This year, I'm celebrating my third anniversary at KPMG as one of the partners in forensic practice, where I run the financial crime section.**

Both 9/11 and the 2008 financial crisis made the profession more prominent with financial institutions and regulated sectors having to build compliance programs. **It was an opportunity near and dear to my heart, a chance for me to fight against human trafficking and terrorist financing, crimes that affect the safety of all Canadians.** Even though it's behind the scenes, the work my team does is really important.

With work and a full-time athletic career—it's difficult. You don't sleep much because you spend the day at work and then up to two-and-a-half hours at the gym at night. **I would leave home from seven in the morning to ten at night, only to repeat it the next day.** It all came down to careful time management, which helped through the day.

My colleagues at the office tell me that I'm very disciplined, organized and structured. I think that transfers over from my bodybuilding because competing requires me to also be disciplined, organized and structured.



More than just tax software.

- ✓ Exceptional value at a reasonable price
- ✓ Support you can rely on
- ✓ Software you can trust

Download your **free trial** software from taxcycle.com/cpa

Call us at **1-888-841-3040**

Inspired by accountants,
built by tax experts.



TaxCycle
FROM XERO



Less month-end.
More weekend.

Business spending
as it should be.



floatcard.com