

**Chartered Professional Accountants of Ontario**  
**(registered name of The Institute of Chartered Accountants of Ontario) (“CPA Ontario”)**

**Annual Supplemental Report to The**  
**Public Accountants Council For The Province of Ontario**  
**for the 12-month period November 1, 2012 to October 31, 2013**

Pursuant to s. 18(6) of the Standards of The  
Public Accountants Council for the Province of Ontario

Effective June 27, 2013, The Institute of Chartered Accountants of Ontario registered the business name of Chartered Professional Accountants of Ontario (“CPA Ontario”). The Public Accountants Council (“PAC”) was notified of the registration on September 4, 2013 and that all future written communications to the PAC would bear the registered business name.

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<b>Licensure Activity</b>	2010	2011	2012	2013
<b>Total number of licences - Beginning of Period (November 1)</b>	<b>5,729</b>	<b>5,128</b>	<b>4,983</b>	<b>4,781</b>
<b>Add Licences Granted in Period:</b>				
i) Members not previously licensed	77	108	98	<b>86</b>
ii) Members permitted to practise public accounting in other jurisdictions of Canada	4	14	14	<b>23</b>
iii) Members permitted to practise public accounting outside Canada:				
a) US CPA	2	4	2	<b>4</b>
b) South Africa	0	1	2	<b>2</b>
c) England and Wales	1	2	0	<b>0</b>
d) Scotland	1	1	0	<b>0</b>
Total Members permitted to practise public accounting outside Canada:	4	8	4	<b>6</b>
iv) Former licensees who were re-licensed and:				
a) Met the minimum criteria	26	40	31	<b>64</b>
b) Did not meet the minimum criteria but licence granted under discretion ( <b>Appendix D</b> )	2	1	3	<b>0</b>
Total former licensees who were re-licensed	28	41	34	<b>64</b>
<b>Total licences granted in the period</b>	<b>113</b>	<b>171</b>	<b>150</b>	<b>179</b>
<b>Total licences before suspensions and revocations</b>	<b>5,842</b>	<b>5,299</b>	<b>5,133</b>	<b>4,960</b>
<b>Less licences removed in the period due to:</b>				
i) Revocation - membership status	-5	-2	0	<b>-2</b>
ii) Revocation - discipline	-2	0	-2	<b>0</b>
iii) Revocation - expired or resigned	-683	-285	-318	<b>-343</b>
iv) Revocation - deceased	-12	-10	-12	<b>-7</b>
v) Suspension – fees, discipline or other	-12	-19	-20	<b>-36</b>
<b>Total licences removed in period</b>	<b>-714</b>	<b>-316</b>	<b>-352</b>	<b>-388</b>
<b>Net increase/(decrease) in the number of licensees during the period</b>	<b>-601</b>	<b>-145</b>	<b>-202</b>	<b>-209</b>
<b>Total number of licences - End of Period (October 31)</b>	<b>5,128</b>	<b>4,983</b>	<b>4,781</b>	<b>4,572</b>
<b>Applications for licence - licence not granted</b>	<b>1</b>	<b>2</b>	<b>4</b>	<b>11</b>

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<b>Firms Authorized to Practise Public Accounting</b>	2010	2011	2012	2013
Partnerships	797	801	791	735
Professional Corporations	982	1,053	1,018	1,069
Sole Practitioner Licensees	1,160	1,084	1,006	923
<b>Total Firms Authorized - End of Period (October 31)</b>	<b>2,939</b>	<b>2,938</b>	<b>2,815</b>	<b>2,727</b>

<b>Complaints Analysis - Licensees</b>	2010	2011	2012	2013
<b>Total number of ongoing complaints - Beginning of Period (November 1)</b>	<b>72</b>	<b>76</b>	<b>78</b>	<b>124</b>
Add:				
Complaints received by Professional Conduct Committee in period	73	76	131	80
<b>Total number of complaints for period (new and ongoing)</b>	<b>145</b>	<b>152</b>	<b>209</b>	<b>204</b>
Less:				
Complaints dismissed with no further action	-28	-48	-45	-73
Complaints referred to adjudicative (discipline) committee	-10	-10	-14	-10
Complaints dismissed with an admonishment issued	-31	-16	-26	-44
	<b>-69</b>	<b>-74</b>	<b>-85</b>	<b>-127</b>
<b>Total number of ongoing complaints - End of Period (October 31)</b>	<b>76</b>	<b>78</b>	<b>124</b>	<b>77</b>

<b>Adjudicative (Discipline) Committee Analysis - Licensees</b>	2010	2011	2012	2013
<b>Open referrals to adjudicative (discipline) committee - Beginning of Period (November 1)</b>	<b>6</b>	<b>6</b>	<b>0</b>	<b>6</b>
Add:				
Complaints referred to adjudicative (discipline) committee during the period	10	10	14	10
<b>Total number of referrals for period (new and ongoing)</b>	<b>16</b>	<b>16</b>	<b>14</b>	<b>16</b>
Less decisions rendered by adjudicative committee during the period - by finding:				
Finding - Not guilty of professional misconduct	0	0	0	0
Finding - Guilty of professional misconduct ( <b>Appendix A</b> )	-9	-15	-8	-6
Finding - Guilty of professional misconduct - stayed by appeal	-1	0	0	0
Charges withdrawn prior to hearing	0	-1	0	0
	<b>-10</b>	<b>-16</b>	<b>-8</b>	<b>-6</b>
<b>Open referrals to adjudicative committee - End of Period (October 31)</b>	<b>6</b>	<b>0</b>	<b>6</b>	<b>10</b>

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<b>Appeal Committee Analysis - Licensees</b>	2010	2011	2012	2013
<b>Open requests for appeal - Beginning of Period (November 1)</b>	0	0	1	0
Add:				
Requests for appeal received during the period	1	2	0	0
<b>Total number of requests for period (new and ongoing)</b>	1	2	1	0
Less decisions rendered by appeal committee during the period - by finding:				
Finding - Adjudicative committee decision upheld ( <b>Appendix B</b> )	-1	-1	0	0
Finding - Adjudicative committee decision varied ( <b>Appendix B</b> )	0	0	-1	0
	-1	-1	-1	0
<b>Open requests for appeal - End of Period (October 31)</b>	0	1	0	0

<b>Applications for Judicial Review Analysis - Licensees</b>	2010	2011	2012	2013
<b>Open applications for judicial review - Beginning of Period (November 1)</b>	1	0	0	0
Add:				
Applications for Judicial Review made during the period ( <b>Appendix C</b> )	1	1	0	0
<b>Total number of applications for period (new and ongoing)</b>	2	1	0	0
Less:				
Judicial Review completed in the period ( <b>Appendix C</b> )	-2	-1	0	0
	-2	-1	0	0
<b>Open judicial review matters - End of Period (October 31)</b>	0	0	0	0

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<b>Students and Applicants</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
<b>Students admitted to membership during the period who completed the basic requirements of licensing qualification:</b>				
i) Licence granted	19	8	11	12
ii) Not registered in the public accounting training program leading to qualification for licensure	0	53	78	112
iii) Did not apply for a licence	1,172	1,184	914	916
iv) Licence application in progress at October 31	1	12	3	0
<b>Total students admitted to membership during the period who completed the basic requirements of licensing qualification</b>	<b>1,192</b>	<b>1,257</b>	<b>1,006</b>	<b>1,040</b>
<b>Students and applicants:</b>				
i) registered in the public accounting training program leading to qualification for licensure	4,577	4,295	4,808	4,885
ii) <b>not</b> registered in the public accounting training program leading to qualification for licensure	251	434	694	936
iii) registration applications received and in processing - training program not yet determined	196	343	0	0
iv) permitted to register although not employed in an Approved Training Office - training program not yet determined	209	404	470	272
<b>Total registered Students and Applicants at October 31</b>	<b>5,233</b>	<b>5,476</b>	<b>5,972</b>	<b>6,093</b>
<b>Licensees who were members of accounting bodies in jurisdictions outside Canada having substantially equivalent standards at the time of admission to membership with CPA Ontario (Cumulative Balance)</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
<b>International training body:</b>				
i) State Boards of Accountancy, United States of America	64	66	67	67
ii) The Institute of Chartered Accountants in England and Wales	113	105	105	98
iii) The South African Institute of Chartered Accountants	53	47	49	49
iv) The Institute of Chartered Accountants of Australia	2	1	1	1
v) New Zealand Institute of Chartered Accountants	3	1	0	0
vi) The Institute of Chartered Accountants of Scotland	8	9	9	9
vii) The Institute of Chartered Accountants of Ireland	4	3	3	3
viii) The Institute of Chartered Accountants of Zimbabwe	0	0	0	0
ix) L'Institut des Réviseurs d'Entreprises de Belgique	1	0	1	1
	<b>248</b>	<b>232</b>	<b>235</b>	<b>228</b>

**Appendix A - Summary of Discipline Hearings**

SANCTION	SETTLEMENTS					
	De Luca-Ford	Finkelman	Kutum	Root	Shanks	Suntharalingam
Suspension From Membership						
Revocation of Membership			X			
Suspension of Licence						
Revocation of Licence			1			
Suspension of Authorization to Practise						
Revocation of Authorization to Practise						
Limitations to Practise Imposed		X				X
Period of Supervision						
Re-investigation Ordered						X
Prescribed PD or Other Courses or Successful Completion of Examinations						X
Fine	X	X	X	X		X
Reprimand	X	X	X	X		
Other Sanctions - Specify				2	3	
Costs	X	X	X	X	X	X

- (1) Licence expired in the preceding reporting period and prior to the discipline hearing
- (2) Cooperation with Practice Inspection
- (3) Resign membership and public accounting licence



## Appendix B – Summary of Appeals

CPA Ontario did not have any discipline decisions appealed by licensees during the 2013 reporting period.

## Appendix C – Summary of Applications for Judicial Review Made

CPA Ontario did not have any licensees make an application for judicial review during the 2013 reporting period.

**Appendix D – Number of New Licences Granted Where the Member has not met the Minimum Criteria (Previously Licensed)**

<b>Minimum Criteria</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
Practice Environment	0	0	0	0
Practice Capacity	0	0	0	0
Continuing Professional Development	0	0	0	0
Eligible Hours	2	1	1	0
Ethical and Independent Requirements	0	0	0	0
Other	0	0	2	0
<b>Total</b>	<b>2</b>	<b>1</b>	<b>3</b>	<b>0</b>

## Appendix E – Number of Licence Renewals where the Member has not met the Minimum Criteria

Minimum Criteria	2010	2011	2012	2013
Practice Environment	0	0	0	0
Practice Capacity	0	0	0	0
Continuing Professional Development	2	2	2	0
Practice Inspection	0	0	0	0
Eligible Hours	102	48	9	5
Ethical and Independent Requirements	0	0	0	0
Other	0	2	4	0
<b>Total</b>	<b>104</b>	<b>52</b>	<b>15</b>	<b>5</b>
<b>Related Licence Renewals (Total Licence Renewals to October 31)</b>	<b>5,015</b>	<b>4,812</b>	<b>4,631</b>	<b>4,393</b>

### Eligible Hours (5 renewals), consisting of:

- 
- 2 renewals      These Members obtained more than 500 but less than 1,250 eligible hours in public accounting services (assurance or compilation services) within the immediate past five years. These Members were able to demonstrate to the satisfaction of the Public Accounting Licensing Board (“PALB”) that exceptional circumstances existed which prevented them from satisfying the eligible hour requirement and which would not continue beyond a period of two years from the date of the application. The exceptional circumstance for the first Member related to a secondment to another area of the firm, and for the other Member an impending wind-down of a practice over the next two years which required a licence to transition existing clients. These Members met all other criteria for the renewal of a licence.
- 2 renewals      These Members obtained a minimum of 1,250 eligible hours in public accounting services (assurance or compilation services) but less than 2,500 overall eligible hours within the immediate past five years. These Members were able to demonstrate to the satisfaction of the PALB that exceptional circumstances existed which prevented them from satisfying the eligible hour requirement and which would not continue beyond a period of two years from the date of the application. The exceptional circumstances for the first Member related to a maternity leave, and for the other Member a secondment to a department of the government. These Members met all other criteria for the renewal of a licence.

1 renewal      This Member was reviewed by the PALB under discretion because the Member acquired hours in a supervisory/oversight role within a public accounting practice and those hours had not been charged to clients and therefore not included in the eligible hours reported. This application was considered by the PALB prior to the Regulation 9-1 amendment which allows licensees to include non-chargeable hours acquired in a supervisory/oversight role within a public accounting practice as documented hours for the purposes of licence renewal. This Member met all other criteria for the renewal of a licence.

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