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## Independent Auditor's Report

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To the members of  
Chartered Professional Accountants of Prince Edward Island

We have audited the accompanying financial statements of Chartered Professional Accountants of Prince Edward Island, which comprise the statement of financial position as at April 1, 2015, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Chartered Professional Accountants of Prince Edward Island as at April 1, 2015 in accordance with Canadian accounting standards for not-for-profit organizations.

Chartered Professional Accountants

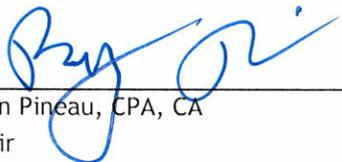
Summerside, Prince Edward Island  
February 4, 2016

CHARTERED PROFESSIONAL ACCOUNTANTS  
OF PRINCE EDWARD ISLAND  
STATEMENT OF FINANCIAL POSITION  
AS AT APRIL 1, 2015

2015

ASSETS		
<b>CURRENT</b>		
Cash and cash equivalents	\$	309,757
Accounts receivable		43,556
Harmonized sales tax receivable		11,508
Loan to CPA Atlantic School of Business		15,828
Prepaid expense		1,562
		382,211
<b>CAPITAL ASSETS</b>		
		1
	\$	382,212
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Payables and accruals	\$	34,526
Unearned revenue		24,713
		59,239
<b>EQUITY</b>		
RESTRICTED NET ASSETS (Note 4)		1,500
UNRESTRICTED NET ASSETS		321,473
	\$	382,212

ON BEHALF OF THE BOARD

  
 \_\_\_\_\_  
 Ryan Pineau, CPA, CA  
 Chair

  
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 Doug Ezeard, CPA, CA  
 Treasurer

**CHARTERED PROFESSIONAL ACCOUNTANTS  
OF PRINCE EDWARD ISLAND**  
Notes to the Financial Statements  
April 1, 2015

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**1. Nature of Operations**

Chartered Professional Accountants of Prince Edward Island (CPAPEI) is a self-governing professional organization incorporated in 2015, which operates under the Chartered Professional Accountants of Prince Edward Island Act of 2015. The board has approved a set of By-Laws and the organization operates as a not-for-profit under the Income Tax Act and is not subject to either federal or provincial income taxes.

**2. Summary of Significant Accounting Policies**

These financial statements have been prepared using Canadian accounting standards for not-for-profit organizations (ASNPO). Significant accounting policies are described below.

**Use of Estimates**

The preparation of financial statements in accordance with ASNPO requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Revenue Recognition**

Members' fees and other revenues are recognized in the year to which they relate.

**Contributed Services**

CPAPEI and its members benefit from contributed services in the form of volunteer time for various committees. Contributed services are not recognized in these statements.

**Capital Assets**

Capital assets are recorded as an expense in the year of acquisition and carried at a nominal sum on the balance sheet.

**Cost Recoveries**

Cost recoveries resulting from Discipline Committee orders are recognized when received.

**Cash and Cash Equivalents**

Cash and cash equivalents are composed of funds held on hand, in the bank account and interest bearing investments.

**Financial Instruments**

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial instruments are reported at cost or amortized cost less impairment, if applicable. Financial assets are tested for impairment when changes in circumstances indicate the asset could be impaired.

**3. Related Parties**

Governance of the profession and its members is shared among the Chartered Professional Accountants of Canada (CPA Canada) and individual provincial, territorial and Bermuda organization in accordance with a protocol agreement.

The National portion of annual member fees is collected by CPAEI and remitted to CPA Canada. Costs of inter-provincial education services and national administration administered by CPA Canada are charged back to the provinces based on share of membership.

Transactions are in the normal course of operations and are measured at the exchange amount (the amount of consideration established and agreed to by the related parties).

**4. Restricted Assets**

The Board restricted \$1,500 for payment of the A. M. Ferris UPEI Award based on a commitment made to U.P.E.I. in Albert Ferris' honour. Each year \$500 is released towards this award.