

## ANNUAL CONFERENCE

### PROFESSIONAL ACCOUNTING FUTURES

September 14, 2018

Institute for Management & Innovation Complex  
University of Toronto Mississauga  
Mississauga, Ontario

*PAC is pleased to acknowledge funding support for this conference from CPA Ontario*

#### AGENDA

**8:00 Registration, coffee & pastries** – Lower Hallway outside Room L1220

**8:45 Opening Remarks** – Objective is to explore the future of Professional Accounting

Leonard J. Brooks, Director, Professional Accounting Centre

Richard Piticco, Vice-President, Student Services, CPA Ontario

Soo Min Toh, Director, Institute for Management & Innovation, UTM

**9:00 *How Non-GAAP and Non-financial Measures are Changing Value Investing***

Panelists will consider:

- How key performance indicators and assessments are changing.
- How materiality judgements may be changing due to non-GAAP and non-financial measures.
- Future developments, and how these trends may affect professional accounting.
- How the Draft Accounting Standards Board Framework on Performance Measures may apply.

Panelists will include:

- Eric Kirzner, John H. Watson Chair in Value Investing Emeritus, Rotman School, U of T (Moderator)
- Anthony Scilipoti, CEO, Veritas Investment Research
- Linda Mezon, Chair, Accounting Standards Board
- Partha Mohanram, John H. Watson Professor of Value Investing, Rotman School

**Eric Kirzner**

John H. Watson Chair in Value Investing (Emeritus)  
Rotman School of Management, U of T



Since 1971, I have lectured as a professor at various universities on security analysis and portfolio management. I have also published a number of books, two registration training manuals and well over 1000 articles on these subjects. I have been a professor of finance at the Rotman School of Management since 1989.

I am active very in the financial community and serve on a number of financial and advisory boards and committees. I am the lead external advisor to Healthcare of Ontario Pension Plan and a member of the investment committee of Wealthsimple.

I have an extensive background in securities regulation. I was previously Chair of the TSE Special Committee on Market Fragmentation, Public Governor of the Toronto Futures Exchange, a director of the Derivatives Clearing Corporation, Chair of the OSC Investor Advisory Committee, a director and Vice-Chair of Regulation Services and a director of IIROC.

One of my primary interests is how investors make decisions and what information they rely upon in making decisions. I am the co-developer with Richard Croft the FPX Indexes that have been published in the Financial Post since 1997. These indexes are designed as asset allocation benchmarks that allow investors to measure the performance of their portfolios and assess whether there is value added from active management. He is also the author of the retail investor- focused Easy Chair portfolio published periodically in the Toronto Star.

In 2003, I was awarded the John H. Watson Chair in Value Investing in recognition of my teaching, writing and contributions to investment knowledge in Canada. In July 2018, I became the John H. Watson Chair in Value Investing Emeritus.

**Anthony Scilipoti**

CEO, Veritas Investment Research



Anthony is a founding partner of Veritas Investment Research in 2000. He is a Fellow Chartered Public Accountant, a Fellow Chartered Accountant, a Certified Public Accountant (Illinois) and a member of the Association of Certified Fraud Examiners. He is a licensed portfolio manager. Anthony also serves as a member of the Ontario Securities Commission's Continuous Disclosure Advisory Committee since 2006.

Anthony has been very active in accounting standard setting since 2003. He is a former member of the Canadian Accounting Standards Board, the CICA's Emerging Issues Committee, and was the Chair of CPA Canada's Users Advisory Committee.

Anthony began teaching in 1997 as a part-time accounting instructor at York University's Schulich School of Business in the MBA and BBA Programs. He was nominated for the Teaching Excellence Award in 1997 and 2003. Several of Anthony's cases have been published in *Cases in Financial Accounting: A Principles Based Approach*, First Edition, 2006. While he no longer teaches full courses, he does guest lectures at the undergraduate and graduate levels and runs custom training programs on financial statement analysis and business valuation for the CFA societies in Canada and the U.S., CPA Canada, as well as Canadian and U.S. analysts and portfolio managers.

Anthony is an advocate for investor rights. He is frequent media commentator and public speaker on issues related to financial accounting and disclosure and is considered an industry expert in special situations related to accounting. In 2006, Anthony was awarded the Award of Distinction by the Institute of Chartered Accountants of Ontario for his impact and leadership in the accounting profession among those under 40.

## **Linda Mezon**

Chair, Accounting Standards Board

Linda F. Mezon is the Accounting Standards Board (AcSB) Chair and has served in this capacity since July 1, 2013. Linda's experience as a standard setter began in 2004 when she was appointed as a volunteer AcSB member. Her time with the Board includes the period encompassing the adoption of IFRS Standards and development of separate sections of the CPA Canada Handbook – Accounting for private enterprises and not-for-profit entities.



Linda provides leadership to the AcSB to achieve its mission, as well as enables and promotes a deeper stakeholder understanding of the Board's strategic plan and activities. She is a frequent speaker on topics related to financial reporting, able to represent both the standard setter and preparer points of view.

Prior to her appointment as Chair, Linda was the Chief Accountant at the Royal Bank of Canada (RBC), responsible for the interpretation and application of IFRS Standards and U.S. GAAP. She also monitored compliance with Canadian regulatory requirements on financial disclosure and was responsible for auditor independence. Before RBC, Linda held other senior positions in industry and also has four years of experience in public accounting.

In regards to her not-for-profit experience, Linda is a member of the Board of Directors of the Toronto Rehabilitation Institute Foundation, serving as Vice Chair as well as Chair of its Governance Committee.

Linda was named a fellow of the Institute of Chartered Accountants of Ontario in 2013, is a Certified Public Accountant (Michigan) and Chartered Global Management Accountant (CGMA), holds a BA in Accounting from Michigan State University, and an MBA from the University of Detroit.

## **Partha Mohanram**

John H. Watson Professor of Value Investing, Rotman School

Professor Partha S. Mohanram is the John H. Watson Chair in Value Investing and Professor of Financial Accounting at the Rotman School of Management at the University of Toronto. He is also the Area Coordinator for the Accounting Area and the director of the India Innovation Institute at the University of Toronto.



Professor Mohanram obtained his PhD in Business Economics from Harvard, MBA from IIM-Ahmedabad, and B.Tech in Computer Science from IIT-Madras. He is a CPA (CGA, Canada) and a certified board director (ICD.D who served on the board of CGA Ontario from 2012-2014).

Professor Mohanram has published extensively in the top accounting and management journals. He is considered to be one of the leading experts in the area of valuation, fundamental analysis and cost of capital. He has also published in the areas of corporate governance, executive compensation and disclosure regulation. In 2017, Professor Mohanram was honored with the Haim Falk Award for lifetime contribution to accounting research by the CAAA. In 2018, he won the Rotman School's Research Impact Award. His papers are highly cited and featured in the business press – his research has been featured in the New York Times, Forbes, The Globe and Mail and other publications and he has discussed his research on CNBC's Squawk on the Street, NPR and TVO (TV Ontario).

Professor Mohanram is an editor of Contemporary Accounting Research and also serves on the Editorial board of The Accounting Review and Review of Accounting Studies. He serves on the executive committee of the CFEA consortium, and was the co-organizer of the 2016 CFEA conference.

Professor Mohanram teaches Business Analysis and Valuation to MBA students, Financial Statement Analysis and Valuation to undergraduate students, and also at the executive and PhD levels. He is also actively involved in mentoring PhD students, serving as chair and committee member for numerous PhD students.

**10:30** *Coffee Break*

**10:45 Professionalism: New Challenges - NOCLAR Standards, "in the Public interest", courage, ...**

Panelists will comment on new challenges to professionalism, and particularly on the

- (a) recently launched NOCLAR international standards requiring professional accountants to disclose when events are not in compliance with laws or regulations, or in the public interest – that will change confidentiality practices, and
- (b) the need for moral courage and skepticism

Panelists will include:

- Jim Gaa, Professor, University of Alberta (retired)
- Kelly Gorman, Vice President, Regulation, CPA Ontario
- Bruce Winter, AASOC Chair
- Mark Pinch, Associate Chief Accountant, OSC

**James Gaa**

Professor, University of Alberta (retired)

James Gaa is an Emeritus Professor in the Department of Accounting, Operations and Information Systems, and an Adjunct Professor of Philosophy, at the University of Alberta. He has had visiting appointments at Arizona State University, the University of British Columbia, and Massey University in New Zealand. His research has focused on standard setting for financial reporting and ethics, and on business and professional ethics. His work in ethics focused on the ethics of public accounting and especially on the independence of auditors from their clients.



Professionally, he was a Canadian board member of the International Accounting Standards Committee from 1997 to 2001, and a public member of the International Ethics Standards for Accountants from 2010 through 2016. Other notable positions include President of the Canadian Academic Accounting Association, and member and chair of the Professionalism and Ethics Committee of the American Accounting Association. In addition, he served as a member of the Boards of CGA Alberta and CGA Canada.

## **Kelly Gorman**

Vice President, Regulatory & Standards, CPA Ontario

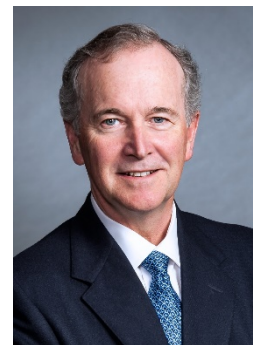
Kelly Gorman leads the Registrar, Practice Inspection, Member Advisory Services, Standards Enforcement, and Investigation and Prosecutions teams, a role that is crucial to CPA Ontario's protection of the public interest. Prior to joining CPA Ontario Kelly served as Deputy Director of Enforcement and the first Chief of the Office of the Whistleblower at the Ontario Securities Commission. Her extensive background as a policy advisor to those charged with governance will continue to ensure the integrity of the CPA profession in Ontario.



## **Bruce Winter**

AASOC Chair

Bruce Winter is retired, having spent 35 years in public accounting. He was an audit partner with PricewaterhouseCoopers LLP where his client base was focussed on larger multinational clients. His work experience included work with public and private companies, within Canada and globally.



Bruce is currently the chair of Canada's Auditing and Assurance Standards Oversight Council (AASOC). The Council provides public interest oversight for the setting of audit and independence standards for the accounting profession in Canada. He is a past member and chair of the Canadian Auditing and Assurance Standards Board (AASB) and past member of the International Auditing and Assurance Standards Board (IAASB), standard setting bodies that serve the public interest by setting standards for the provision of audit and related services in Canada and globally, respectively.

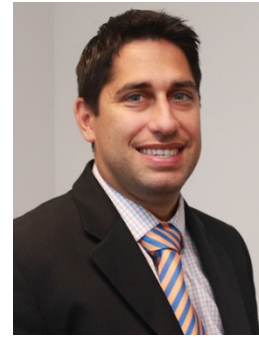
Bruce is also a member of the Governing Council of the University of Toronto. He currently serves on the Executive Committee, Business Board and Pension Committee of the Governing Council. Bruce's past involvement with community has included roles as a Board member for St. Joseph's Health Centre (Toronto), the Shaw Festival in Niagara-on-the-Lake and the Canadian Cancer Society (Ontario Division).

## Mark Pinch

Associate Chief Accountant, OSC

Mark Pinch is the Associate Chief Accountant at the Ontario Securities Commission. His responsibilities include:

- providing specialized accounting and auditing advisory services to various branches of the Commission on accounting, policy and operational issues
- assisting with addressing regulatory issues pertaining to accounting, auditing and the disclosure of financial performance measures



Mark has recently been involved in the development of the recent proposals with respect to the disclosure for non-GAAP and other financial measures, which are intended to replace existing staff guidance.

**12:15** *Lunch* in the IMI Rotunda

Keynote: *Developments in the U.S. CPA Profession: Will they be replicated in Canada?*

**Karim Jamal**, CA Distinguished Professor, School of Business University of Alberta, will review research on the U.S. CPA profession and draw comparisons to the Canadian CPA profession. Topics included: Ethics, risk management, assurance services, audit fees, and compliance.



Dr. Jamal is the past Chair of the American Accounting Association's Financial Accounting Standards Committee (FASC) which provides scholarly opinion and discussion to the Financial Accounting Standards Board (FASB) in the U.S., The International Accounting Standards Board (IASB) and The Securities and Exchange Commission (SEC). Dr. Jamal's primary research focus is on : (1) Auditor balancing of fraud versus client satisfaction, (2) Disclosure and its effect on conflict of interest, and discussions with the audit committee, (3) Private markets for accounting and auditing, (4) Regulatory failure in auditing and (5) Persuasion, justification and interpersonal perception in auditing. Dr. Jamal has numerous publications in research and professional journals in accounting, economics and psychology, published in Australia, Canada, the US, the UK, Japan and Taiwan.



In 2009, the Alberta Institute of Chartered Accountants (ICAA) made Dr. Jamal a Fellow of Chartered Accountants (FCA).

In 2010, Dr. Jamal received the Haim Falk Award for Distinguished Contribution to Accounting Thought from the Canadian Academic Accounting Association (CAAA) and was appointed as Centennial Ambassador for the Institute of Chartered Accountants of Alberta (ICAA).

In 2016, Dr. Jamal became a Public Member of Board of Directors of CICBV – Canadian Institute of Chartered Business Valuators: 2016-2019.

In 2017, Dr. Jamal became a Department Audit Committee (DAC) Member for the Federal Government's Office of the Director of Public Prosecutor: 2017-2020.

### **1:30 *Developing Skepticism – A Forensic Approach to this Critical Problem***

Experienced, successful, forensic accountants, who possess an outstanding level of skepticism, will consider:

- (a) How they develop and apply their own skepticism.
- (b) Is there a skepticism mindset or model they can articulate?
- (c) How should professional accountants develop skepticism?

Panelists will include:

- Jennifer Perry, Ernst & Young LLP
- Gary Moulton, Retired Partner, Deloitte and Duff & Phelps
- Larry Lancefield, Lancefield Inc.

#### **Jennifer Perry**

Senior Manager – Fraud Investigation & Dispute Services  
Ernst & Young LLP

Jennifer Perry is a Senior Manager in the Toronto office of Ernst & Young's Fraud Investigation & Dispute Services practice. She has practiced exclusively in investigative and forensic accounting since 1996. She has led teams in large and small-scale financial investigations and litigation support. Her experience includes analyzing and quantifying economic damages and conducting investigations on behalf of individuals, corporations, courts, regulatory agencies and governments.



Her casework includes investigation of alleged fraudulent financial reporting, securities and related fraud matters, misappropriation of funds, Ponzi schemes, procurement fraud, income tax disputes, whistleblower complaints, asset tracing, and planning and execution of Anton Piller orders.

Her experience in dispute and litigation support services includes various post-acquisition purchase prices disputes, and loss quantification in breach of contract and tort. Jennifer also has particular experience in quantifying economic damages and accounting of profits in intellectual property disputes.

A preparer of numerous expert reports and affidavits, Jennifer has provided expert witness testimony as a forensic accountant on issues involving loss of income in Ontario Superior Court of Justice. She has been an instructor in both Investigative Related Matters and Loss Quantification courses and a Lecturer in Monetary Remedies in Intellectual Property Disputes for the University of Toronto Diploma in Investigative and Forensic Accounting program. She is an author and speaker on topics of fraud, forensic accounting, economic losses, and accounting of profits in intellectual property disputes.

### **Gary Moulton**

Retired Partner, Deloitte and Duff & Phelps

Gary Moulton has been involved in the forensic and investigative accounting profession in Canada for over 35 years. He was the partner in charge of the Toronto forensic services practice of Deloitte Canada for several years and is a past Chair of the CICA's Alliance for Excellence in Investigative and Forensic Accounting.

He lectures at the University of Toronto's Master of Forensic Accounting program on advanced forensic investigations and investigative Interviewing skills.

During his career he has led many significant Canadian and global forensic investigations involving allegations of fraud and other financial impropriety in public and private corporations, governments and not-for profit and charitable organizations. He has testified as an expert witness on many occasions in criminal and civil courts in Canada. His investigative experience includes employee and management fraud, investor fraud, financial statement misrepresentation, corruption and bribery, bid rigging and contracting fraud, cheque and electronic funds kiting, and tracing assets in many jurisdictions.

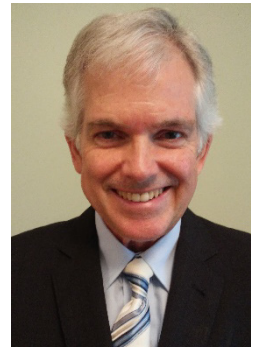


## **Larry Lancefield**

Managing Director, Lancefield Inc.

Larry Lancefield CPA, CFE, CA•IFA, CBV, CFF joined the world's first full-time forensic accounting firm as a CA in 1984.

In 1985, Larry began teaching accounting at both the Ontario Provincial Police College and the Royal Canadian Mounted Police College. In 1998, he became an inaugural member of the IFA Standards Committee co-authoring Standard Practices for Investigative and Forensic Accounting Engagements issued in 2006 and in 2003, he created the course content for the first Investigative Related Matters course of the University of Toronto's Diploma in Investigative & Forensic Accounting (DIFA) Program. He has taught that course continuously until last year when he created content for the new Masters in Forensic Accounting (MFAcc) Program. He also previously created forensic accounting content for the Federal Auditor General Staff Training Program.



Larry's work experience includes murder, fraud, civil litigation and valuation cases. A number of these cases have involved work in foreign countries, and he has been engaged by major US Corporations to create Investigative training programs for their Internal Audit Departments. He has provided numerous presentations on forensic and investigative accounting to various Professional Organizations, Associations, Government bodies, Universities and Schools.

**3:00** *Coffee Break*

**3:15** *Future of Professional Accounting and the Role of External & Internal Auditors*

Panelists will review the drivers of change for professional accounting and will consider how these drivers will affect the roles identified, as well as how the profession can enhance its relevance.

Panelists include:

- Dan Simunic, Professor Emeritus, University of British Columbia, and Professor of Accounting, Simon Fraser University
- Carol Paradine, CEO Canadian Public Accountability Board
- Kristy Carscallen, Canadian Managing Partner, Audit, KPMG

### **Dan Simunic**

Professor Emeritus, University of British Columbia

Dan Simunic is currently Professor of Accounting at Simon Fraser University and Professor Emeritus of Commerce and Business Administration at the University of British Columbia. He has also served as Visiting Professor at various universities around the world.



Dan's research interests are in the economics of auditing and in international auditing. He has published research papers in numerous scholarly journals, including the *Journal of Accounting Research*, *Journal of Accounting & Economics*, *The Accounting Review*, *Contemporary Accounting Research*, and *Auditing: A Journal of Practice & Theory*.

Dan obtained a Ph.D. in economics and accounting from the Graduate School of Business, University of Chicago in 1979. He worked in the Chicago office of Ernst & Ernst (now Ernst & Young) and served for 10 years as a technical advisor from Canada to the International Auditing Practices Committee (now the International Auditing & Assurance Standards Board) of the International Federation of Accountants. Dan is a U.S. CPA (State of Illinois) and a former FCGA (British Columbia). Dan served as Co-Editor of *Contemporary Accounting Research* from 1997 to 2000, and as the Editor of *Auditing: A Journal of Practice and Theory* from 2005-2008 and is currently a Co-Editor of the *Journal of Contemporary Accounting & Economics*.

### **Carol Paradine**

CEO, Canadian Public Accountability Board

Carol is the Chief Executive Officer of the Canadian Public Accountability Board. Prior to assuming the leadership role at CPAB, Carol was a partner in a major international firm. She specialized in assurance and advisory services for public companies as well as complex accounting and financial transactions. Carol served on the firm's Board of Directors and Executive Committee with roles that included Managing Partner - Leadership Development and Succession, Managing Partner - Prairie Region and Acting Chief Financial Officer.



Community service is equally important to Carol, with roles that have included Chair, Manitoba Chambers of Commerce, President, Alzheimer Society of Manitoba, board and audit committee member, Alzheimer Society of Canada, board and audit

committee member, Centreport Canada, board and finance committee member, YMCA-YWCA National Capital Region, board member, Innovate Manitoba, board member, Harmony House and advisory board member, Carleton University School of Business. She also coached youth soccer for a number of years and was a lecturer and coach at Carleton University.

Carol has a Bachelor of Commerce degree, along with her Chartered Professional Accountant and Certified Public Accountant designations from Canada and the United States. She speaks both official languages.

### **Kristy Carscallen**

Canadian Managing Partner, Audit  
KPMG LLP

Kristy is the Canadian Managing Partner, Audit for KPMG in Canada. She has over 25 years of experience and has been a Partner at KPMG for eighteen years.



In her role as Canadian Managing Partner, Audit, Kristy is responsible for the delivery of high quality audits, audit innovation and technology as well as developing our audit professionals to respond to the ever-changing environment. Kristy is a member of KPMG Canada's Management Committee.

Prior to assuming leadership of our Canadian Audit Practice, Kristy was our Chief Human Resource Officer and a Partner in KPMG's Toronto office within our Technology, Media & Telecommunications Practice (TMT). She has served as Lead Engagement Partner on numerous public and private sector clients.

Kristy is a member of the Board of Directors of The Ronald McDonald House, a "home away from home" for seriously ill children and their families to heal better together, chairs the Governance & Nominating Committee and is a member of Finance & Audit Committee.

Kristy is a Member of the Institute of Chartered Professional Accountants of Ontario.

Kristy enjoys spending time with her husband and eleven year old daughter.

**4:45** Closing Remarks by Prof. Brooks