



RPA's Women Entrepreneur Award



PRESIDENT'S NOTE

Dear Members and Students,

First I would like to congratulate you all for a successful Annual General Meeting which was held virtually this year via Zoom Media. As we are still going through the second wave of the COVID 19 pandemic it was necessary to follow the public health safety advice to hold this year's AGM and Small Business Week Celebrations virtually. I am thankful that none of our member or student have been tested positive from COVID 19, I wish you all a healthy life and safety from this deadly pandemic.



Despite COVID 19, 2020 has been a very productive year for RPA Canada. I would like to thank the board of directors for their hard work and dedication to promote the accounting profession and RPA designation. None of this would have been possible without team work and support from the staff, consultants and Post-Secondary Institutions. Some outgoing board members, Errol Lanns; Robert Finlay; Shoukut Hossain; Marc Pourvahidi and Mahen Sinnadurai deserve our thanks and gratitude for their contributions on the board. I also welcome a new face on the board Joseph Mohanthas who is also elected as the new Secretary of the Society.

I am pleased with the confidence of the RPA members to re-elect me as the President of RPA Canada. Despite the dialogue and debate surrounding the profession, I am extremely optimistic about the profession's prospects for the future and members can expect to see the RPA Canada take a more prominent position on a range of issues affecting businesses and the economy in Canada. The Registered Professional Accountants of Canada is growing in Canada and I think anyone would say that we represent the gold standard in accountancy with relevant education and knowledge. Beyond our technical capabilities and business acumen, we can also add value by commenting on economic and tax policy, and by essentially acting as the voice of small and medium-sized enterprises (SME) to help Government and policy-makers understand the consequences of the many options placed before them.

RPA Small Business Week celebrations was another active participation in acknowledging the contributions made by entrepreneurs in creating jobs and paying taxes. Particularly acknowledging the contributions of women entrepreneurs and honoring them with RPA Women Entrepreneur Award was a noble cause to empowering the women by encouraging them to become business entrepreneurs. I thank Nina Tangri, MPP and Parliamentary Assistant to Minister of Economic Development, Trade and Job Creation for presenting the RPA Awards 2020 to successful women entrepreneurs, Elizabeth Joseph; Saboohi Swalah; Meseret Haileyesus and Nadine Spencer.

We have elected an energetic executive and committees with dynamic committee chairs who will lead the RPA in the coming year. My goal this year is to develop the RPA professional practice guideline, practice management manual, practice training, examination and accreditation program by the next AGM (2021). The Board has elected Harry Somir as chair of the newly formed "Professional Practice Committee" and I have full confidence on his ability and commitment that he will accomplish his goal. RPA Canada requires its members to maintain good practice standards by making it mandatory for each practicing RPA to follow this path to promote the trust and confidence among business and public in large.

We are always looking for volunteers to assist the Society in its committees, administration, marketing and research and development in the accounting field. If you can help the Society please come forward and contact the office or email me.

Together, we can do it all.

**Zubair Choudhry, RPA, APA
President/CEO**

WHAT-IF ANALYSIS

What-If Scenario Analysis More Important Now Than Ever

Be proactive, not reactive.



Joseph Mohanthas , RPA

C OVID-19 has us experiencing disruptions in both individual and business life. This pandemic is the first the modern world has seen, but it is not the first in human history. We already know that individuals can take preventative measures like frequently washing their hands, staying home/inside, and avoiding touching their face. But what about businesses? What precautions can organizations take to ensure they don't just see the light at the end of the tunnel, but reach it?

Organizations must properly prepare for the day after tomorrow by being ready for whichever scenario may unfold.

Scenario Analysis: Future looking, Multi-modular Risk Assessment

According to the Corporate Finance Institute and Professional bodies, scenario analysis is a process of examining and evaluating possible events that could take place in the future by considering various feasible results or outcomes. In financial modeling, this process is typically used to estimate changes in the value of a business or cash flow, especially when there are potentially favorable or unfavorable events that could impact the company (such as COVID-19).

Most business managers also use scenario analysis during their decision-making process to find out the best-case scenario, as well as worst-case scenario while anticipating profits or potential losses.

When performing the analysis, managers and executives at a company will generate different future states of the business, the industry, and the economy. These future states will form discrete scenarios that include assumptions such as product prices, customer metrics, operating costs, inflation, interest rates, and other drivers of the business.

Building scenarios into a financial model is an important exercise to help cater for uncertainty.

What are the benefits of performing scenario analysis?

There are many reasons why managers and investors perform scenario analysis. Predicting the future is an inherently risky business, so it's prudent to explore as many different cases of what could happen as is reasonably possible. Key benefits include:

Future Planning – Provides a peek into the expected returns and risks involved when planning for future investments. The goal of any business venture is to increase revenue over time, and it is best to use informed calculations when deciding to include the investment in the portfolio.

Proactive – Companies can avoid or decrease potential losses that result from uncontrollable factors by being aggressively preventive during worst-case scenarios by analyzing events and situations that may lead to unfavorable outcomes.

Avoiding Risk and Failure – to avoid poor decisions, scenario analysis allows businesses to assess investment prospects. It takes the best and worst probabilities into account to allow for informed decision-making.

Organizations **MUST** be proactive as the situation continues to evolve. Reliable data underpins both crisis planning and response. Updating data frequently and exploring how different scenarios could affect the business in the short, medium and long term allows organizations to consistently reframe their overall perspective and adapt behavior accordingly.

It's also likely that the crisis will create unpredictable fluctuations. So putting in place rapid-reporting cycles will allow the c-suite to understand how the business is being affected, where mitigation is required, and how quickly operations are recovering.

Financial analytics for comprehensive scenario analysis

Professional Accountants/Analysts (**RPA, CPA and CFA**) offers a next-gen financial analytics solution that can help you quickly analyze and understand the current state of your business, spot variances, and respond dynamically with best actions. With Professional Accountants help, connected teams can conduct what-if scenario planning and collaboratively decide how to make up for shortfalls, seize emerging opportunities, and avoid pitfalls.

And with Professional Accountants knowledge, organizations are able to leverage ALL organizational data including unstructured data that is spreadsheet-based, all of which is consolidated on the 100% cloud based platform (such as **Dynamics 365, Oracle NetSuite**) are designed)made instantaneously accessible and ready for analysis in today's situation.

What's really needed to respond to rapidly changing conditions with agility is a platform that can tie together the data, the people, and the plans to maximize visibility, and Professional Accountant does that.

Be ready, no matter which scenario unfolds.

There's no telling how long businesses will experience corona virus related issues. This is an ongoing and evolving situation, and your approach to it should be the same.

Finance holds the key to crisis response agility with modern analytics tools such as Professional Accountants that enable flexible and informed decision making.

It is therefore crucial that the management team consistently review, reassess, and- where required- reset, their action plan to ensure they remain relevant and focused on the right areas to remain viable.

Sooner or later things will get back on track, and markets will tell which companies managed the challenge most effectively.

Disclaimer

The information provided on this page is intended to provide general information. The information does not take into account your personal situation. I will not be held liable for any problems that arise from the usage of the information provided on this page

Joseph Mohanthas, RPA, CIM. C. Mgr. CM (USA), ICIA

Program/Publication Committee Member – Guild of Industrial, Commercial and Institutional Accountants
 Marketing Committee Chair, Canadian Institute of Management – Toronto Chapter
 Accredited Member – The Society of Professional Accountants of Canada
 PINs Leader at TRIEC (Toronto Region Immigrant Employment Council)
 Steward Member at CSSA (Canadian Stewardship Services Alliance)
 Controller at Cintex International (Canada) Limited



Bernie DiVona, RPA



Qaisar Ali, RPA



Harry Somir, RPA



Vijay Kapur, RPA

RPA Canada Elects New Committees Chair

RPA Canada held a first Board meeting of the year 2020- 2021 chaired by Zubair Choudhry President of the Society . At this meeting the board elected new committees chair as follows:

- Bernie Divona, Chair RPA Education Committee
- Qaisar Ali Chair of Continue Professional Development
- Harry Somir Chair Professional Practice Committee
- Vijay Kapur Chair of Complaint Processing Committee
- Paul Brosnan, Chair of Code of conduct Committee

Women Entrepreneur Award-2020



Saboohi Swalah



Nadine Spencer



Nina Tangri, MPP and Parliamentary Assistant to Minister of Economic Development, Trade and Job Creation for presenting the RPA Awards 2020 to successful women entrepreneurs.



Elizabeth Joseph



Meseret Haileyesus



TECH TIP

Data Analysis Expressions - DAX

Data Analysis Expressions (DAX) is a formula expression language used in Analysis Services, Power BI, and Power Pivot in Excel. DAX formulas include functions, operators, and values to perform advanced calculations and queries on data in related tables and columns in tabular data models.

Calculations

DAX formulas are used in measures, calculated columns, calculated tables, and row-level security.

Measures

Measures are dynamic calculation formulas where the results change depending on context. Measures are used in reporting that support combining and filtering model data by using multiple attributes such as a Power BI report or Excel PivotTable or PivotChart. Measures are created by using the DAX formula bar in the model designer.

A formula in a measure can use standard aggregation functions automatically created by using the Autosum feature, such as COUNT or SUM, or you can define your own formula by using the DAX formula bar. Named measures can be passed as an argument to other measures.

When you define a formula for a measure in the formula bar, a Tooltip feature shows a preview of what the results would be for the total in the current context, but otherwise the results are not immediately output anywhere. The reason you cannot see the (filtered) results of the calculation immediately is because the result of a measure cannot be determined without context. To evaluate a measure requires a reporting client application that can provide the context needed to retrieve the data relevant to each cell and then evaluate the expression for each cell. That client might be an Excel PivotTable or PivotChart, a Power BI report, or a table expression in a DAX query in SQL Server Management Studio (SSMS).

Regardless of the client, a separate query is run for each

cell in the results. That is to say, each combination of row and column headers in a PivotTable, or each selection of slicers and filters in a Power BI report, generates a different subset of data over which the measure is calculated. For example, using this very simple measure formula:

`Total Sales = SUM([Sales Amount])`

When a user places the TotalSales measure in a report, and then places the Product Category column from a Product table into Filters, the sum of Sales Amount is calculated and displayed for each product category.

Unlike calculated columns, the syntax for a measure includes the measure's name preceding the formula. In the example just provided, the name **Total Sales** appears preceding the formula. After you've created a measure, the name and its definition appear in the reporting client application Fields list, and depending on perspectives and roles is available to all users of the model.

Calculated columns

A calculated column is a column that you add to an existing table (in the model designer) and then create a DAX formula that defines the column's values. When a calculated column contains a valid DAX formula, values are calculated for each row as soon as the formula is entered. Values are then stored in the in-memory data model. For example, in a Date table, when the formula is entered into the formula bar:

`= [Calendar Year] & " Q" & [Calendar Quarter]`

A value for each row in the table is calculated by taking values from the Calendar Year column (in the same Date table), adding a space and the capital letter Q, and then adding the values from the Calendar Quarter column (in the same Date table). The result for each row in the calculated column is calculated immediately and appears, for example, as **2017 Q1**. Column values are only recalculated if the table or any related table is processed (refresh) or the model is unloaded from memory and then reloaded, like when closing and reopening a Power BI Desktop file.

TECH TIP

Calculated tables

A calculated table is a computed object, based on a formula expression, derived from all or part of other tables in the same model. Instead of querying and loading values into your new table's columns from a data source, a DAX formula defines the table's values.

Calculated tables can be helpful in a role-playing dimension. An example is the Date table, as OrderDate, ShipDate, or DueDate, depending on the foreign key relationship. By creating a calculated table for ShipDate explicitly, you get a standalone table that is available for queries, as fully operable as any other table. Calculated tables are also useful when configuring a filtered rowset, or a subset or superset of columns from other existing tables. This allows you to keep the original table intact while creating variations of that table to support specific scenarios.

Calculated tables support relationships with other tables. The columns in your calculated table have data types, formatting, and can belong to a data category. Calculated tables can be named, and surfaced or hidden just like any other table. Calculated tables are re-calculated if any of the tables it pulls data from are refreshed or updated.

Formulas

DAX formulas are essential for creating calculations in calculated columns and measures, and securing your data by using row-level security. To create formulas for calculated columns and measures, use the formula bar along the top of the model designer window or the DAX Editor. To create formulas for row-level security, use the Role Manager or Manage roles dialog box.

Functions

A function is a named formula within an expression. Most functions have required and optional arguments, also known as parameters, as input. When the function is executed, a value is returned. DAX includes functions you can use to perform calculations using dates and times, create conditional values, work with strings, perform lookups based on relationships, and the ability to iterate over a table to perform recursive calculations. If you are familiar with Excel formulas, many of these functions will appear very similar; however, DAX formulas are different in the following important ways:

- A DAX function always references a complete column or a table. If you want to use only particular values from a table or column, you can add filters to the formula.
- If you need to customize calculations on a row-by-row basis, DAX provides functions that let you use the current row value or a related value as a kind of parameter, to perform calculations that vary by context.
- DAX includes many functions that return a table, rather than a value. The table is not displayed in a reporting client, but is used to provide input to other functions. For example, you can retrieve a table and then count the distinct values in it, or calculate dynamic sums across filtered tables or columns.
- DAX functions include a variety of *time intelligence* functions. These functions let you define or select date ranges, and perform dynamic calculations based on these dates or range. For example, you can compare sums across parallel periods.

Professional Practice Committee

RPA Canada is looking for members in professional practice with relevant experience to assist us in the **RPA - Professional Practice Committee**. The Professional Practice Committee reviews and develops recommendations for the Board pertaining to the standards of practice. If you are interested, please contact :

RPA Office : 416-350-8145

Email: info@rpacanada.org

Harry Somir, Chair

Professional Practice Committee

Ph 416 253 6250

Mandatory Professional Exam

Modern Auditing and Data Analytics

In the past, professional suspicion and reasonable assurance were the two key concepts in auditing. Today, these concepts are of paramount importance. Machines are performing a lot of laborious and menial audit work. Auditors are not only required to provide reasonable assurance on the process but also to provide additional assurance on the work performed by machines. Earlier auditors used to look at a sample of data and related documents to make judgement or assumption about the population. Today the same auditor must understand the logic, controls and parameters that have been programmed in the machine. This means these automated machines perform more of the routine analytics and auditors are free to exercise judgement about risks and risk indicators. Auditors use Data Analytics to improve audit quality by assessing risk factors more accurately. It is auditor's responsibility to ensure that appropriate analytics are used, and the output of the analytics relates to expectations of the management.

There are many trends that are affecting the Audit profession. For example:

1. The major application of Data Analytics is to focus on data quality, internal controls and the management information systems that support the business process.
2. External Auditors are permitted to rely on Internal Auditor's work to support their opinion of financial statements.
3. Due to outsourcing and co-sourcing of the internal audit function, risk and advisory practices of the Public Accounting firms are experiencing tremendous growth.

Due to the above-mentioned reasons, most of the innovations in Data Analytics have originated in the Internal Audit department where there is constant pressure of cost saving. In many companies Data Analytics was practiced by the individuals who used it to investigate large datasets. Then gradually these individuals formed teams to develop and implement analytical techniques to help the following audits:

- ◆ Financial Statements audit.



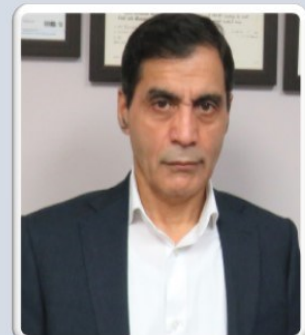
Zubair Choudhry, RPA



Paul Brosnan, RPA



Joseph Mohanthalas, RPA



Naseem Qadir, RPA

RPA Canada Elects New Executive Committee

The Society of Professional Accountants of Canada held a successful 42nd AGM and elected new Executive Committee: Zubair Choudhry, President; Paul Brosnan, Vice President; Joseph Mohanthalas, Secretary and Naseem Qadir, Treasurer.

"I am pleased with the confidence of the RPA members on me to re-elect me as the President of the RPA Canada. Despite the dialogue and debate surrounding the profession, I am extremely optimistic about the profession's prospects for the future and members can expect to see the RPA Canada takes a more prominent position on a range of issues affecting businesses and the economy in Canada. "Registered Professional Accountants of Canada is growing in Canada and I think anyone would say that we represent the gold standard in accountancy with relevant education and knowledge," he said. "But beyond our technical capabilities and business acumen, we can also add value by commenting on economic and tax policy, and by essentially acting as the voice of small and medium sized enterprises (SME) to help Government and policy-makers understand the consequences of the many options placed before them."

– Zubair Choudhry, President RPA Canada

Mandatory Professional Exam

- ◆ Governance, risk, and compliance.
- ◆ Forensic audits to identify frauds.
- ◆ Process efficiency and effectiveness.
- ◆ IT systems audit.

With the increased use of various Enterprise Resource Planning – ERP systems, organizations have become data centric. Some companies use a **homogenous system approach** by ensuring that all its departments and business units are using a uniform installation of a single ERP platform such as SAP. This approach helps management to consolidate data from various locations to create financial statements. Other companies that grow through mergers and acquisitions, take a **heterogenous system approach** to integrate existing systems of the companies they acquire and use several translators to convert the output into useable financial information. IT teams use **Systems translator software** that attempts to map fields of tables from various ERP systems to create a data warehouse. [Figure – 1]

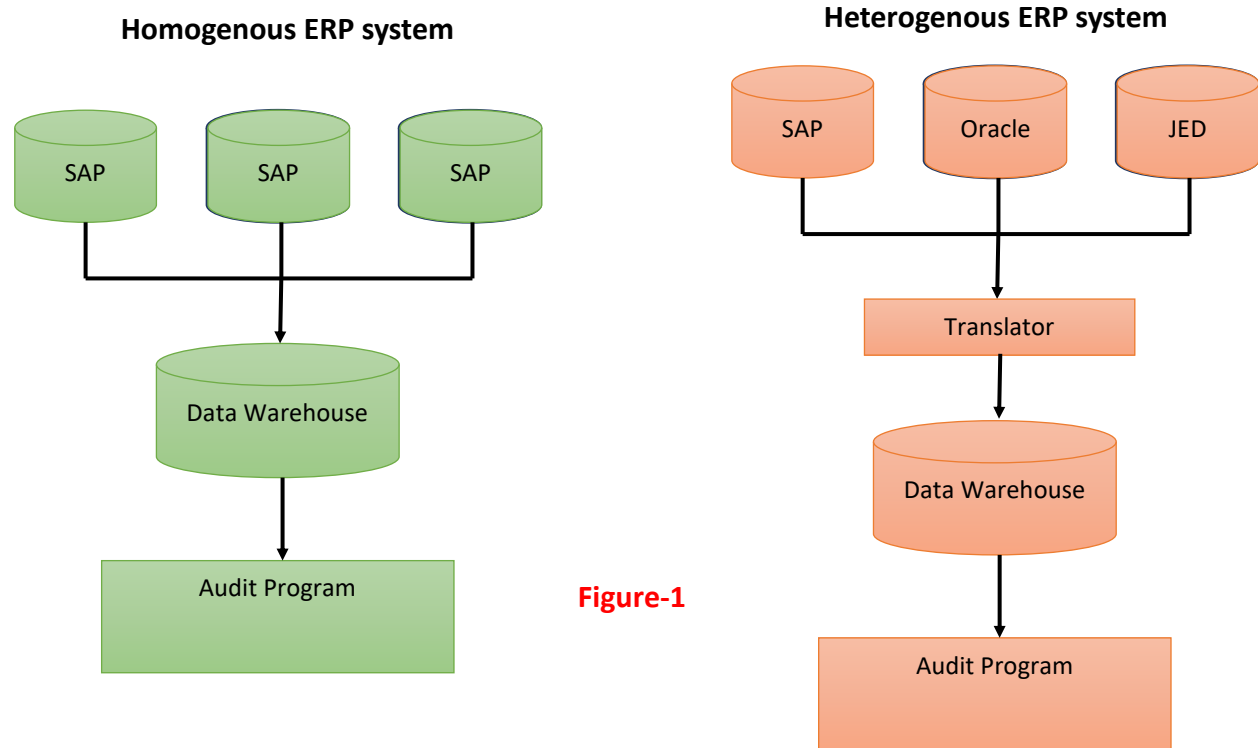


Figure-1

A very common problem that auditors face is the access to appropriate data. Typically, auditors get data in flat files or they get read-only access of the data warehouse where they can analyze multiple relationships and explore other patterns in a more meaningful way. In any case, auditor will work with duplicated data rather than firing a query to the live systems.

Standardized Audit Plan

Whether to audit the financial statements, or to make recommendations to improve a process, or to certify an ERP system, auditors generally follow a standardized audit plan. Such a plan is very beneficial for the new members of the audit team as they can identify the priorities of the audit. Mostly, an audit plan is made up of the following elements:

- ◆ Methodology
- ◆ Scope of the audit engagement

Mandatory Professional Exam

- ◆ Risk elements
- ◆ Specific tasks and procedures
- ◆ Formal evaluation

Very frequently, auditor will adapt the existing audit plan than to reinvent the wheel. However, automating the audit plan and incorporating data analytics involve the following steps:

1. Identify the questions in the existing audit plan.
2. Deep dive into data to identify data elements and to establish what attributes or elements are automatable.
3. Carry out the test plan.
4. Evaluate and refine results.
5. Share insights by comparing the output of the analytics to the output of manual audit procedures.
6. Follow up on alerts and modify the model as and when needed.

Continuous Auditing

A continuous audit is an internal process that examines accounting practices, risk controls, compliance, IT systems, and business procedures on a continuous basis. Continuous audits are usually high-tech and designed to automate data validation and data verification in real-time. To implement the continuous auditing procedures, auditors must schedule the automated procedures to match the timing and frequency of the data that will be evaluated so that system can notify the auditor when exceptions occur. Whenever an automated auditing rule is violated, an exception occurs. The record is flagged, and an exception report will typically identify the record and timing of the exception. For example, when a purchase order is created with a customer whose address matches to an employee, the auditors are alerted immediately. The auditors follow a set of procedures to respond instantly and to sort out the issue right away.

Working papers

Day by day, auditors are using increasingly technical procedures to perform audit. Documentation of such procedures provide confidence and reliance on automated controls and procedures. Working papers are crucial to audit planning, implementation, and evaluation. They provide:

- ◆ Proof of the audit activity that was performed.
- ◆ The evidence that was collected.
- ◆ And the communication with the client.

Working papers should contain the following as they relate to data analytics:

- ◆ Programs used to collect, manipulate, model, and analyze data.
- ◆ Flow charts and process maps.
- ◆ Database maps and data dictionaries.
- ◆ Documents of existing automated controls.
- ◆ Data sets, modelled data, and modelled output.

Electronic workpapers platforms such as TeamMate or Xero and collaborative tools such as Microsoft Teams and Slack are the glue that holds the audit team together.

RPA STUDENTS – MEET THE PRESIDENT



All the questions

1



What is the future?

2



Requirements

What are the requirements?

3

RPA Students Meet the President

Tuesday, November 17th 12:30 pm

- Pathways to RPA
- RPA Prerequisite Courses
- Mandatory Professional Exam (MPE)
- Practical Experience Requirement
- Professional Code of Conduct
- Professional Ethics
- RPA Attitude and Outlook
- Continued Professional Development (CPD)
- Professional Accounting Practice
- Community Involvement

Click here to Register

We are waiting for your feedback

Please write to us about your significant achievements, suggestions and feedback to include in the next eNewsletter. You can reach us at cpd@rpacanada.org



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