



The Institute of Chartered Accountants of India

# TORONTO CHAPTER

E-Newsletter | Fall Edition | September-November 2021



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President & CEO-SBI Canada

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# From The Chairperson's Desk



**Sandeep Patkar**, TCICAI Chairperson

Esteemed members and supporters of the Chapter

This fall season, we celebrated our 15th Annual and 2nd virtual Annual Conference. I am extremely thankful to the guest speakers for sharing their valuable insights and to all the members for their encouraging participation. Thank you to all the volunteers and Management Committee members who worked tirelessly to make this event a huge success.

I would also like to congratulate all the successful CFE candidates in fall 2021 results – hope you were able to celebrate your achievement!

With regards to the Chapter events, we had our first informal gathering on October 3, 2021 where around 100 members and their families participated. The members of the Toastmasters club also had a get-together on September 11, 2021. We also had some get-togethers in professional circles during the quarter, Brampton circle had Diwali celebrations, Toronto Circle members met for a NERF battle and also had in-person leads meet. We were hoping to continue with more of such in person meetings going forward, but the surge in Covid-19 cases in Ontario means we will need to wait for some more time. Nevertheless, it was fun to catch-up with those who attended during the events.

I am also glad to see that our members benefitted from several events organized through our MOU with by British Columbia and San Francisco Chapters on topics such as compilation review standards, impact ESG and mutual funds. You would have noticed that our events and engagement with our supporters have also increased recently, and I hope these events will continue to benefit our members.

The Chapter had more plans to have full day and other in-person events, which were initially planned for January to March 2022. However, these plans have been postponed with the ongoing surge in Covid-19 related cases and the concerns with regards to the hospitalization in Ontario. Despite the sense of déjà vu, I hope that the new Omicron variant may well be the storm before the calm. So, I believe, the situation will improve, and we will get back to having in person chapter events. In the meantime, please stay safe.

Wish you all a happy, healthy, and prosperous new Year!





# Editor's Note

**Shambhavi Sharma**, Editor



Dear readers,

Fall season is referred to as a season of change, with the weather shift, we get the nature's big show – the changing of the leaves – the beautiful color palette that comes with it.

For us, we all decided to make a big, good change to our lives, and moved to Canada, thought its never easy to leave our loved ones back home and start a new journey altogether, but somewhere down the line it makes them proud of us which eventually helps us settle down here.

Since this Fall Season is all about to be thankful and surrounded by the people you love, I am thankful to this Chapter for helping us all stay connected to our roots and yet enjoy the new country, the new culture at its best by always being there for us.

A quick glance at the newsletter, to begin with – many congratulations all the CFE Pass outs 2021, so pleased to see you all achieving great things!

For the articles section, we have covered the topics on Virtual Morality – an effective tool for organizations to cultivate high ethical standards, Pre-approval as your first step in buying a first home, Privilege Access Management – one of the important areas of risk management and data security in an organization, Learnings from Sri APJ Abdul Kalam to help you succeed in corporate world, Metaverse – the latest buzz word in the tech industry, 5 must-have financial management tools for your business needs, Technical Updates on Taxes and IFRSs, Financial analysis with Python programming language, insights on company formation in Canada and newcomer's journey to Canada. We have also covered the Chapter Events highlights and updates on Ongoing Programs during the quarter.

I would like to thank our little stars to share the artwork and members to share the amazing photos with their families for this festive season– Ganesh Chaturthi, Halloween, Diwali.

Once again thank you everyone for your contributions. Please reach out to me if you have any suggestions or articles, you would like the Chapter to publish in future editions by emailing us at [ssharma@icaitoronto.com](mailto:ssharma@icaitoronto.com).



# *Congratulations to* CFE Passouts 2021



**Preetha Murali**



**Joel D'souza**



**Leela Pai**



**Chintan Dixit**



**Rahul Nene**



**Khushbu Patel**



**Hetal Laxmikant Murg**



**Karan Ubhrani**



**Divya Katyal**



**Kaumudi Sinha**



**Siddhi Jainam Shah**



**Jithin Ajith Kumar**



**Malini Upadhya**



**Tapas Bansal**



**Azhar Sakriwala**



**Veenu Kheerbat**



**Pooja Chaudhary**





## FROM THE CPA CENTRE FOR PUBLIC POLICY AND INNOVATION IN ACCOUNTING AT BROCK UNIVERSITY

<https://media.cpaontario.ca/insights/pdf/white-paper-virtual-morality.pdf>

### Virtual Morality

**Virtual-reality (VR) case studies have an edge in revealing how businesspeople will respond to real ethical dilemmas**

High-profile accounting and ethics scandals like those affecting Wirecard and Volkswagen underline the enormous costs of failing to cultivate ethical organizational cultures. Researchers supported by the CPA Centre for Public Policy and Innovation in Accounting at Brock University have discovered that in teaching business ethics, using VR case studies outperforms text and video formats by giving learners a more accurate insight into how they would respond to real ethical dilemmas in the workplace.

#### KEY TAKE AWAYS FROM THE PAPER

- Unethical behaviour has substantial costs to organizations
- VR case studies beat text and video in predicting real-world behaviour
- VR makes decision-making more difficult, emotional and real.

ETHICAL FAILURES IN BUSINESS are well known to be costly. Volkswagen estimated that cheating diesel emissions tests cost it €31.3 billion, while LinkedIn has found 39% of employees would quit a company rather than behave unethically. To reduce these costs, it follows that organizations wanting to cultivate high ethical standards should choose the most effective modes of instruction. But what methods work best?

Researchers Robert Steinbauer and Anh Mai To, supported by the CPA Centre for Public Policy and Innovation in Accounting, tackled this question during the Covid-19 crisis, which has brought renewed attention to digital teaching methods.

**By exposing three groups of students to a similar case study in text, video and VR formats, they discovered that VR has unique advantages in teaching business ethics.**



## VR's advantages in teaching business and professional ethics

The researchers adapted the well-known Ford Pinto case study into a more modern scenario where, in the context of an ethical or unethical organizational culture, participants were asked to decide whether to fix a dangerous car defect for a cost of \$200 million or leave the model as-is, incurring 180 deaths and another 180 burn injuries.

Those engaging with the VR version of the case, rather than video or text, found the decision to fix the car or leave it alone more difficult but reported applying less effort in making it. Surveys of the participants suggested that the VR case was more emotionally engaging and put people under more pressure that made the decision more effortful. In comparison, existing literature shows decision-making about text-based cases is reflective and dispassionate, but less likely to be perceived as difficult or overwhelming.

The study found that participants' response to the VR scenario is likely to be the best guide to what they would do if facing a similar dilemma and culture in real life—outperforming the video and text versions of the scenarios.

The results show that VR could be an especially effective tool for organizations and educators in giving people a space where they can learn, through experimentation, about how to voice their values effectively when asked to engage in unethical conduct.

But, a lack of existing VR case studies for teaching business ethics is one of the biggest obstacles to greater use of the format. Steinbauer and To encourage organizations and educators in business and professional ethics to explore the possibilities of VR by reaching out to developers, teaming up with friends and colleagues, and getting involved in creating new VR case studies. In doing so, they will make their courses stand out amid a crowded field of online offerings while contributing to the promotion of ethical organizational cultures and behaviour.

[READ THE FULL REPORT](#)



# EVENTS\*

Date	Topic	Speakers	CPE Hours
05-09-2021	IFRS Refresher Series III: IFRS on Lease Accounting and EPS	CA Shalabh Hajela	3
19-09-2021	IFRS Refresher Series IV: IFRS on Financial Instruments	CA Shalabh Hajela	3
26-09-2021	IFRS Refresher Series V: IFRS on share based payment and employee benefits	CA Shalabh Hajela	3
03-10-2021	PASS - CFE Information Session - How to Prepare and Pass the CFE	Mr. Michael Levi and Mr. Ira Walfish	-
16-10-2021	2021 Virtual Annual Conference and Season's Celebrations!	Mr. Darryl White, Chief Executive Officer, BMO Financial Group, Mr. Jad Shimaly, Chair & CEO, EY Canada, Hon. Ajay Bisaria, High Commissioner of India to Canada, Mr. Michael Torrance, Chief Sustainability Officer & VP, BMO Financial Group, Mr. Nihar Jambu	3
23-10-2021	Introduction to project finance, structuring the entity, evaluation of project, financing deal and case study	Ms. Rachana Kapadia and Mr. Anjani Kanthi	2
27-11-2021	Tax Talks - Taxation for Not-for-Profit Organizations	Mr. Mohan Damle	2


*\*These events may qualify for CPD hours for CPA Ontario. However, CPA Ontario members are personally responsible to evaluate the CPD eligibility of the event, maintain the supporting documents and application of credits for the events attended.*

## EVENTS THROUGH MOU WITH BRITISH COLUMBIA AND SAN FRANCISCO CHAPTERS:


Date	Topic	Speakers	CPE Hours
07-10-2021	Compilation Review Standard effective	B.C. Chapter	2
31-10-2021	Impact ESG - ICAI San Francisco Chapter	Mr. Atul Gupta, Mr. Michael Kinstlick, Mr. Mahaveer Singhvi, Ms. Vrushali Gaud	2
18-11-2021	Event on Mutual Funds	B.C. Chapter	2



# HIGHLIGHTS OF ANNUAL EVENTS



Jointly organized by  
TORONTO & BRITISH COLUMBIA CHAPTERS OF  
The Institute of Chartered Accountants of India



## 2021 Virtual Annual Conference and Season's Celebration!

**Special Guest Speakers**

Live Performance by  
International Celebrity  
Entertainer


Network Through Exciting  
Face-to-Face Meeting Platform

**SAT - OCTOBER 16, 2021**


3:00pm-8:00pm EDT  
12:00pm-5:00pm PDT

CPE : 3 Hours  
(Chapter Members Only)


**Get a \$50  
gift voucher if you  
register and attend  
the Chapter 2021  
annual  
conference**




**HON. AJAY BISARIA**  
High Commissioner of  
India to Canada




**CA. NIHAR JAMBUSARIA**  
President, ICAI




**DARRYL WHITE**  
Chief Executive Officer,  
BMO Financial Group




**JAD SHIMALY**  
Chair and Chief Executive Officer,  
EY Canada



**PRAVRAJIKA DIVYANANDAPRANA**  
Monastic member of Sri Sarada Math  
& Ramakrishna Sarada Mission




**MICHAEL TORRANCE**  
Chief Sustainability Officer,  
BMO Financial Group




**VISHWANATH BATUNGE**  
Playback Singer


Toronto Chapter registration @ [www.icaitoronto.com](http://www.icaitoronto.com)




**Ajay Bisaria**




**Darryl White**




**Jad Shimaly**




**Sandeep Patkar**




**Akhil Kapoor**




**Michael Torrance**




**Tanmay Kelkar**




**Ritesh Desai**




**THE WINNER IS...**



**CA. Nihar N. Jambusaria**  
President ICAI



**Pravrajika Divyanandaprana**



**Vishvsnath Batunge**

# HIGHLIGHTS OF CHAPTER EVENTS

**The Institute of Chartered Accountants of India**  
**TORONTO CHAPTER**

**Information Session**  
**How to Prepare and**  
**Pass the CFE**

**Sunday - October 03, 2021**  
10:30 AM EST | 07:30 AM PST | 08:00 PM IST

Join us in an interactive virtual session with Michael Levi and Ira Wolfish where they will cover:

- Key information on CFE
- How Indian International students can prepare to study and pass the CFE in the first attempt - a step by step approach will be detailed
- How PASS can help

PASS is an accounting school with over 25 years of experience, providing preparatory courses to accounting students attempting to pass their CPA exams. We provide CFE training and coaching to our students for all of the exams. For the last 16 years PASS has been responsible for the PWC national UFE program and is now responsible for the PWC CFE program. PASS has the most extensive CFE program for Indian/International students

**MICHAEL LEVI**  
Director - PASS  
1987 UFE Ontario Gold Medalist,  
CA, CPA, MBA  
9 years - Deloitte - Audit

**IRA WOLFISH**  
Director - PASS  
CA, CPA, MBA  
10 years - E & Y - Audit

Register @ [www.icaitoronto.com](http://www.icaitoronto.com)

**The Institute of Chartered Accountants of India**  
**TORONTO CHAPTER**

**IFRS Refresher Series**

I: Introduction to IFRS and IFRS 15 Revenue Recognition  
AUGUST 8, 2021 - SUNDAY  
10:00AM TO 9:00PM EST

II: IFRS on Property Plant and Equipment, Intangible Asset and Investment Property  
AUGUST 29, 2021 - SUNDAY  
10:00AM TO 9:00PM EST

III: IFRS on: Lease Accounting and EPS  
SEPTEMBER 5, 2021 - SUNDAY  
10:00AM TO 9:00PM EST

IV: IFRS on Financial Instruments  
SEPTEMBER 19, 2021 - SUNDAY  
10:00AM TO 9:00PM EST

V: IFRS on share based payment & employee benefits  
SEPTEMBER 26, 2021 - SUNDAY  
10:00AM TO 9:00PM EST

**CA SHALASH HAJELA**

- Diploma in IFRS from ACCA UK
- Speaker and Trainer on IndAS/IFRS for corporates and multinationals

Register : <https://www.icaitoronto.com/upcoming-events.php>

**The Institute of Chartered Accountants of India**  
**TORONTO CHAPTER**

**TAX Talks**

**November 27, 2021 - Saturday**  
10:00am to 12:00pm EST

TAX talks are interviews of expert speakers on tax who will educate the members on different tax planning and compliance issues.

In this session, Ashar Sakrwal will interview Mohan Dandia and get insight on taxation of Not-for-profit organizations.

**Mohan Dandia - CPA, CA**

**Ashar Sakrwal**

Register Here : <http://www.icaitoronto.com/eventviewdetails.php?id=ODT>

**The Institute of Chartered Accountants of India**  
**TORONTO CHAPTER**

**Project Finance**

Introduction to project finance, structuring the entity, evaluation of project, financing deal and case study

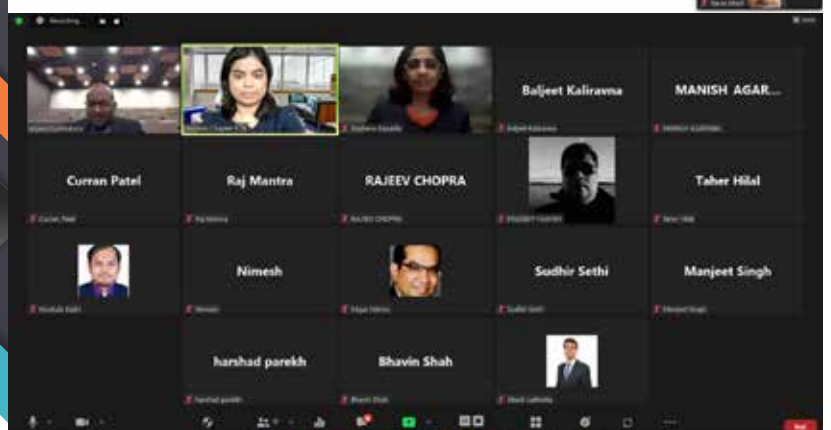
**October 23 - 2021**  
**Saturday**

**10.00am - 12.00pm EDT**  
**CPE Hours: 2**

**Anjani Kanthi**

**Rachana Kapadia**

Register Here : [www.icaitoronto.com](http://www.icaitoronto.com)





NOV 16, 2021

# TALLY SPONSORED EVENT - CONFLUENCE WITH TALLY





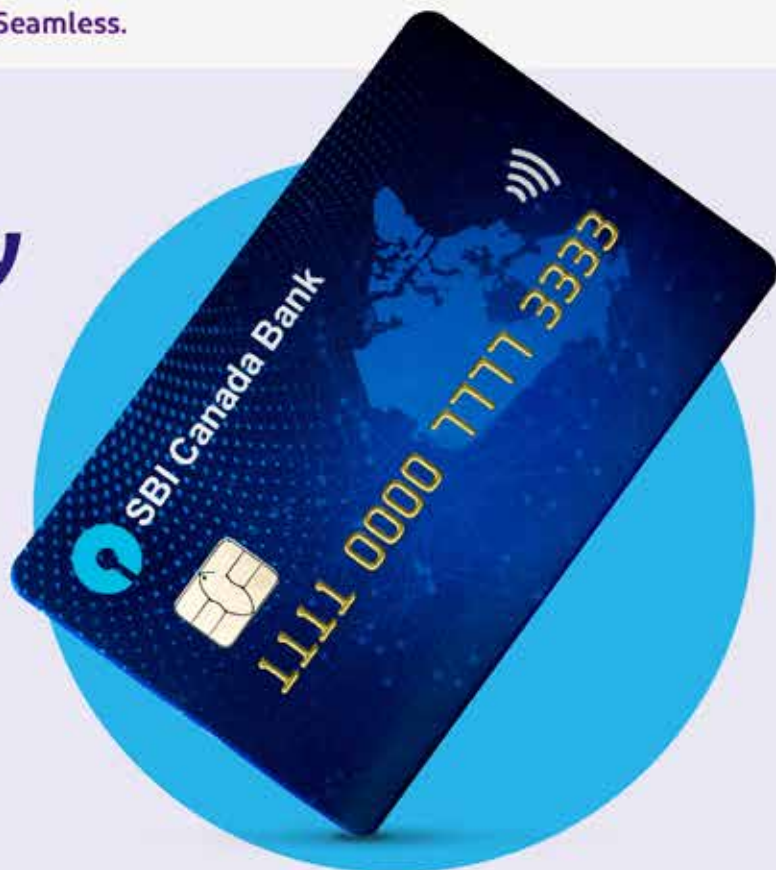


SBI Canada Bank, a wholly owned subsidiary of State Bank of India (SBI), provides full-service banking and has been serving local communities across Greater Toronto Area and Greater Vancouver Area. We have six full-service branches with 04 in GTA and 02 in GVA.

The products and services of SBI Canada Bank are aligned to service the requirements of Newcomers to Canada, International students and existing communities residing in Canada who are connected to friends and families back in India.

Banking with SBI Canada Bank is Simple, Secure and Seamless.

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**Invest Better. Dream Higher**  
**Get Pre-Approved on your Mortgage**

**Joseph Selvaraj Savier**  
*President & CEO SBI Canada*



## **Buying Your First Home? Getting a Mortgage Pre-Approval is Your First Step**

Buying your first property can be a daunting, complicated process. There are so many factors to consider, from deciding between fixed or variable rates, picking a lender, and setting a budget, all before even finding a home! Luckily, getting a mortgage pre-approval at SBI Canada Bank makes it simple.

### **But, why get pre-approved?**

Obtaining pre-approval for a mortgage is the best way to begin your home-buying process. When you become pre-approved, this means that your chosen mortgage lender has officially approved your credit and financial situation, including income, assets, and liabilities, to obtain a mortgage with them. After pre-approval, your lender has committed to lending your mortgage to you!

Typically, a pre-approved interest rate is defined and is available to a buyer for a period of time. However, pre-approval is not the same as final loan approval; this occurs when the mortgage is actually applied to the selected property [Source: Investopedia].

Mortgage pre-approval is so beneficial because it allows you to assess your financial situation, as well as credit, to identify any problems early in the process. In a consultation for pre-approval, you will receive advice from a professional, which will help you to set a realistic, suitable budget for your financial situation. This is essential to ensure that you are getting the best illustration of your plan to finance your very own home.

### **Variable vs. Fixed Mortgage Rates**

Understanding the difference between fixed and variable mortgage rates is essential to buying your first home. Both types pertain to the rates of interest that are applied on top of the initial monthly mortgage payments.

**Fixed Rate:** The interest rate is fixed for the Term of your mortgage, and therefore does not change with the fluctuation of prime interest rates. This rate will be agreed upon with the lender, likely based on competitive rates at the time.

**Variable Rate:** The interest rate is subject to change over time, dependent on the fluctuation of prime interest rate levels in the market.

There are benefits and drawbacks of either option, and these differences/differentiating factors are important to understand when deciding between the two.

Fixed mortgage rates are generally beneficial due to their stability. It is much easier to create a consistent budget when your mortgage interest rate does not change throughout its lifetime. This also reduces financial anxiety, as you are taking the "set it and forget it" approach; your interest rate is guaranteed to never change. However, obtaining a mortgage rate at a time when the prime rate is high can secure an expensive interest rate, which unfortunately cannot end until the mortgage is entirely paid off.

Variable mortgages, on the other hand, have been historically proven to be less expensive over time [Source: Ratehub]. This is due to the fluctuation in rates, which eventually equates to a lower amount paid in interest because in case of downward revision in prime rate will result in less payment of interest and more towards principal and in case of upward revision in prime will increase the interest burden. Nonetheless, variable rates cannot offer the stability and certainty of a fixed rate. There is less stability in a variable mortgage rate, abolishing the peace of mind offered by a fixed rate. The constant fluctuation can cause anxiety and uncertainty in budgeting, which can make re-payment of your mortgage more difficult.

### **Why choose SBI Canada Bank?**

On top of offering competitive rates and exceptional banking options, the SBI Canada team is experienced, diverse in language, and ready to help you with your Canadian mortgage. Our intuitive mobile banking application YONO, helps you to deal with your finances seamlessly, from wherever you are. Buying a mortgage at SBI Canada Bank is the best choice to get started with your home-buying process.

Even better, you can become pre-approved for a mortgage with SBI Canada instantly through our mobile app. With Yono, you can do all your banking, including financing your mortgage directly from your phone! As an SBI Canada Bank client, you also have access to investment and banking accounts like our Tax-Free Savings Account (TFSA), Registered Retirement Savings Plan (RRSP), and more. All services are available to you on this online banking platform, making it incredibly simple to keep up with your finances on the go!

Getting a mortgage pre-approval at SBI Canada is the best way to go when buying real estate in 2021, visit <https://ca.statebank/mortgages> to get the process started!



# Privilege Access Management

Poonam Sharma – MBA, CISA.

Ganesh Sharma – Chairperson - B.C. Chapter of the ICAI,  
FCA (India), CISA, CISSP, CISM, CIA, Cybersecurity Audit  
Certificate from ISACA



As per "ISO/IEC 27002" Inappropriate use of system administration privileges is a major contributory factor to failures or breaches of systems.

## Privilege Access Management is:

- The mechanism of monitoring privileged access to the organizations' information resources and keeping the organizations secure.
- One of the most important areas of risk management and data security in any organization.

## Privilege Access Types

- **Local Admins:** Non-personal, provide administrative access to localhost.
- **Privileged users:** Personal-named credentials with admin privileges.
- **Domain Admins:** Privileged users who can edit information in Active Directory, includes creating, deleting, and changing users' permissions.
- **Emergency / Fire-call Accounts:** Accounts provide users with administrative access to secure systems in an emergency.
- **Service Accounts:** Special, non-human privileged accounts used to execute applications and run automated services.
- **Application Accounts:** Privileged accounts specific to the application software and typically used to administer, configure or manage access to applications.

## Privilege Access Importance

With robust privileged access, organizations can ensure those who need privileged access get it while protecting critical business systems from destructive cyberattacks. Some benefits of incorporating strong privileged access processes into identity management strategy are:

- Sets up the equivalent of a barrier wall to guard against attacks.
- Helps mitigate risk by ensuring compliance and confirmation with integrity.
- Improves IT efficiency for by enabling seamless user workflows.
- Integrates with other tools to further enhance the organization's cyber maturity.

## Key processes for managing privilege access:

- Access provisioning
- Identification and Authentication
- Monitoring of privilege user activities

## Common deficiencies in privilege access management

Personnel backgrounds checks are not carried out.

- There is a risk that persons with criminal records could be hired who may misuse privileged access.



Strong identity and Access management processes are not implemented. For example: Access to the privileged users is provided without approval. ISO/IEC 27002 control, clause 9.2.3 on the Management of privileged access rights, states:

- The allocation and use of privileged access rights should be restricted and controlled'. The allocation of privileged access rights should be controlled through a formal authorization process in accordance with the relevant access control policy.
- An authorization process and a record of all privileges allocated should be maintained.
- Privileged access rights should not be granted until the authorization process is complete.

Privileged access IDs are used for routine business activities. More an ID is used more are the chances of its misuse. ISO/IEC 27002 control, clause 9.2.3.e) on the Management of privileged access rights, states:

- Privileged access rights should be assigned to a user ID different from those used for regular business activities.
- Regular business activities should not be performed from privileged ID.
- Center for Internet Security (Controlled Use of Administrative Privileges) states: Ensure that all users with administrative account access use a dedicated or secondary account for elevated activities. This account should only be used for administrative activities and not Internet browsing, email, or similar activities.

Unneeded Administrators accounts exist. Authors noted in number of cases the privileged users have not logged into the accounts for years however the accounts still exist.

Privileged access is not removed in a timely manner.

Periodic review of privileged users' access rights is not carried out or the access rights reviews performed are ineffective – there is a risk that the access available is inappropriate / no longer required. Best practices recommend that access controls on the privileged

access should be more stringent. ISO clause 9.2.3(f), recommends "the competences of users with privileged access rights should be reviewed regularly in order to verify if they are in line with their duties".

Multi-factor authentication not implemented.

Privileged users' password settings are not in line with password standards.

- Authors have noted the systems do not require any password parameters – any password e.g. 123456 could be used.
- Passwords for privileged users specially the non-personal admin accounts are not changed periodically. Authors noted cases where the passwords have not been changed since inception, years ago / creation of e.g. privileged service accounts.

No formal processes in place that forms the basis to determine what activities of the privileged users should be logged.

No automated alerts set for inappropriate changes if any to the privileged user groups.

Privileged users' activities are not monitored.

No formal procedures were found to have been defined to prevent unauthorized use of generic admin /service accounts, for example:

- No log to track privileged users' activities – or the logs do not record key privileged user activities.
- Logs can be modified by the privileged users themselves.

## Control Frameworks

Some of the well-known control frameworks for reference are:

- **ISO 27001:** ISO 27001 is the world's most comprehensive and recognized Information Security Management System (ISMS) framework.
- **Center for Internet Security – Top cybersecurity critical controls**







CA. Ashish Bothra



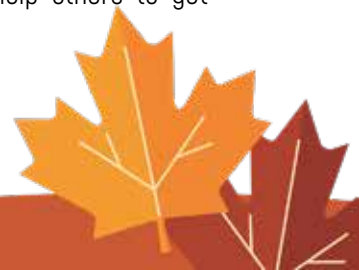
## Learnings from Sri APJ Abdul Kalam

Hello friends. Hope you all are doing well and looking forward to 2022. I hope that we are past the worst of the pandemic, or are we? We may never predict the future but make ourselves ready to face the challenges that may lie ahead of us. This holds true for both our personal lives and professional lives. We may not be eliminating the threat, but a good preparation would hold us in good stead.

Today's conversation is all about the inspiration. Recently in India, the Padma Sri, Padma Bhushan and Padma Vibhushan awards were awarded to some 119 recipients. I happened to watch the same over my phone. I was amazed by hearing some of the personal stories of some of the recipients that were awarded. Reading about the humble background of the Padma Sri recipients had me thinking. I will share what I felt reading about the contributions to the society and how they helped the people around them.

The first name that comes to my mind when thinking of humility and greatness is India's ex-president, Late Sri APJ Abdul Kalam. He continues to inspire our generation. His thoughts were progressive and still relevant at all times. Reading his biography and books penned by him, I gathered few learnings, which might help, in our professional journey. To succeed at whatever position, we may be in the organization, the following points be kept in mind.

- **Be curious.** Have an open mind so that your learning is not limited to academic books. Learn from things, people, around you. Real life stories, experience, defeat, and helplessness can teach you some valuable lessons in life which one can never learn sitting in classrooms
- **Be observant** and mindful of what is happening around you. We need to embrace new ways of working, technology, constantly innovate the way we operate our processes. There is so much going around us. Technology is changing itself and has penetrated our lives. How we use it to our benefit by doing smart work will determine our success.
- **Be Sensitive** to your team member's well-being. Our resources are our biggest strength. A strong well-balanced team can do wonders. Where the emotional well-being of employees is being taken care of, the employees stick together with the company and the team as well. Compassion and empathy are the qualities that have stood well in the times of pandemic and will continue to do so
- **Never Give up.** We all face challenges in our daily lives. The key to solve is to confront them rather than brush it under the carpet. We must be persistent with our effort and persevere. A confident approach also energizes the team and reaching to a solution is much faster and all encompassing
- **Encourage** people who think differently or provide creative solutions. Listen to them. Their solution may not be practical to be implemented but then they may have an interesting point of view towards the problem. If you silence such people, then these resources may retreat in a shell and always keep quiet.
- **Control your fear.** The best way to control one's fear is to deny its existence. Sometimes you must put up that act of being fearless in the eyes of your nemesis. Alternatively, we can help others to get



them rid of their fears so that we diver our attention and become courageous enough to face it

- **Be Tolerant** – the best place that one starts learning to accept differences in opinion and still co-exist peacefully is one's own "Sweet Home." We may have our differences with our parents or our siblings or with any one of them, but do we walk out of our home and live separately. We sulk, we get angry, and we show our difference by not eating the food together or by not talking for a day or banging the gate while going in or out of a room. But do we leave our houses? Our fingers on our hand are not of the same size but when we want to land a punch, they must all come together. It is the same for our teams as well. To succeed join all minds and collaborate. But it does not in any way mean that you should be tolerant towards callousness or carelessness.
- **Work with Integrity** – Whatever you do, do with utmost dedication, sincerity, and most important integrity. Integrity is an important virtue as a leader or a team member. Whatever you want to accomplish in life, go ahead but act with integrity. Be smart about your work but do not take shortcuts. By taking shortcuts in life, you will become we chose a path that has less resistance. Act right even if no one is watching you. Remember your eyes and your conscience is always looking at your efforts and bears a testimony to the road you have taken to achieve your dream.
- **Allow people to make mistakes** – An organization, which does not let its employees to make mistakes, can never grow. Let people make mistakes. That ways you will know what controls to put, what are your risk areas, where could be the possible leakage or how vulnerable your process is? In short, mistakes allow you to build a robust FMEA (Failure Mode Effect Analysis). In addition, when a team member makes a mistake ensure the learning is captured, training to all team members provided and move on.
- **Ownership** - It is widely acknowledged in corporate world that Failure lies at the footsteps of the leader and success on the head of the team members as a crown. Never put your team under the bus in case

there is miss. Take the failure on your chin and shield your team members. Under no circumstances, the name of the team member or members should be disclosed. The standard line should be that it is my team, and I am responsible for the same. In addition, the reverse should be the case when we achieve the success. The team should be allowed to enjoy the limelight while the team lead gets happiness by watching happy faces.

- **Build a team based on Trust** – It is particularly important that there is transparency within the team. Transparency breeds bonding and bonding breeds' trust. It is therefore essential that there is a trust factor based on the behavior within the team. If people question each other decision and action, eventually the team will be moving apart in different directions. Therefore, it is particularly important for the team lead to foster trust and respect in the team based on transparency. Sometimes hard decision must be taken but its ok as one may have to act according to the situation.
- **Have clear identified goals for the team** – one of the common peeves that managers have that their teams spend their time on social media. Most of them have restricted the access to Facebook, WhatsApp, or Gmail etc. But does that help? Innovative leaders find ways to engage employee by giving them clear goals related to tasks, timelines to achieve and a purpose at work, which would keep them focused on the task. Once the task is completed as per the desired outcome then the employee can do whatever they want to do.

Finally, one of the important teachings that I have learnt over a period is to trust your instinct. Your instincts will seldom be wrong. Do your own thing, dream big and work harder and smarter to realize your dream. Seek advice from people but then always do not go by it. It may sound safe but then you may take longer to reach your destination.

Hoping the world to be much safer place in 2022 where we return to our normal lives. The last two years have taught us a lot. It has changed our perception and thought process. Wishing all the readers a Happy and Prosperous Year 2022 and a safe and healthy year ahead.



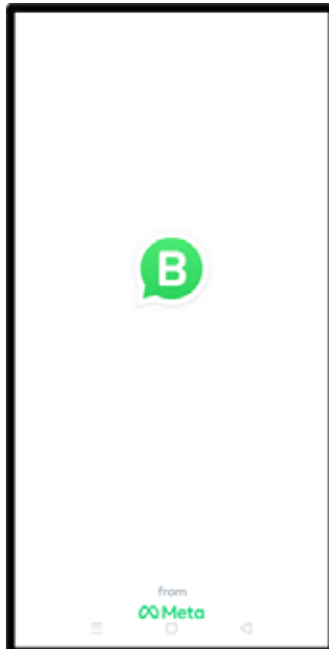
# Metaverse The Future of (Virtual) Reality



CA. Rachana Kapadia  
Partner, Centauri Research

"Metaverse" is the latest buzzword to capture the tech industry's imagination – so much so that, 'Facebook,' one of the best-known internet platforms is rebranding to signal its embrace of the futuristic idea. Mark Zuckerberg has recently announced that he's changing his company's name to [Meta Platforms Inc.](#), or Meta for short. Simply put, [Metaverse](#) is a virtual world that is expected to redefine the social interactions as we know it. The definition of 'social interactions' does not limit to the interactions outside of work. In fact, it includes everything from social networking, entertainment, gaming, work, commerce, education and more.

But why do you need to care about the metaverse? Everything is digital or going to be digital soon. Our friends, jobs, identity. Fortnite skins are the new skinny jeans. If all of us are eventually going to hang out online (I Hope not!) all the time, then our flexes would need to be digital. The metaverse is going to make everything more extreme.



The metaverse is not just about the metaverse. It is about how the shift the world is going to see in terms of technology. Cryptos, Web 3.0, NFT's are the new shifts and are interconnected. But I digress. Let us get back to Metaverse and how it is going to change the world as we know it.

The following is a breakdown of the aspects the Metaverse is focusing on:

1. **Social connections:** From neighbors to followers, we have seen a shift in our social relationships. We can interact and find likeminded people not just in the physical world but on Twitter, Reddit, Facebook, and other such platforms. Filters are our new makeup and stories are our personal billboard to broadcast who we are. What matters more? The way we look in real life? or on Instagram?
2. **Entertainment:** We can be part of concerts or share our living room and experiences with our friends.
3. **Gaming:** More kids play Fortnite than basketball & football combined. This is not to say physical activity is of low importance but to draw attention to the reality and the changes we are continuing to witness. Metaverse is chess.com, Minecraft and other games and gaming systems rolled into one.
4. **Fitness:** The smartwatches in the market already monitor a lot of the body parameters. Metaverse is going to be our fitness consultant, coach, physician. As with everything in the Metaverse, it is going to be an immersive or intrusive experience for the user.





5. **Work:** From factories to laptops, boardrooms to zoom meeting rooms, we have come a long way in the way work is perceived. The Metaverse is going to take it to the next level and bring office home or vice versa.
6. **Education:** This is not just about accessing your college education through your laptop or completing graduation by attending classes virtually. Metaverse aims to make it an immersive experience. It is the equivalent of swimming with the fish in the ocean to study them, being at the center of the universe to study astrophysics.
7. **Commerce:** As Mr. Zuckerberg himself mentions, building products is not enough, they also need to build ecosystems and platforms to help the creator economy. Metaverse aims to address the high platform fees that are stifling the creator economy and innovation.

**But is the world ready for the metaverse? Or do we need it in the first place?**

Some fear, the Metaverse that 'The big tech' obsesses over, will alienate the human beings further. The

Metaverse will accelerate all existing Web 2.0 social issues. It will lead to a rise in the feeling of disconnection and loneliness, which will exacerbate social issues facing the world today. There would be a growing divide between real world self and digital self. These identities will increasingly separate into distinct dualities. We will have two different personalities going about their online and offline interactions. Eventually, more tech advancements require more psychology professionals to deal with the resulting mental issues that the society is expected to face. Data experts are already concerned about the [privacy implications](#) that the metaverse could have. Mocking 'Metaverse,' Iceland have launched their own 'Iceland verse' where everything is real.

Plus, **you don't need a funny-looking VR headset.**

'Chief Visionary Officer' **Zack Mossberg**son...

One thing the enthusiasts and detractors seem to agree on is that "The metaverse is going to make everything more extreme."





# 5 Must-have Financial Management Tools Your Business Needs



CA. Sharad Gondaliya

Managing the financial side of your business is a cumbersome process, especially when you must dedicate a considerable amount of time to the primary operations of your organization. As technology progressed, financial management has also become fun and more effective with the help of cloud-based software and services.

In this article, I will share five must-have financial management tools that your business will need to manage your finances efficiently.

## #1 Online Accounting Software

Online Accounting Software like QuickBooks, Xero, ZohoBooks are quite popular to manage accounting, invoicing, payroll processing, customer and vendor management, expense tracking, and many more.

The advantage of having an online accounting software is that you do not need to move your laptop everywhere. You can update and access your accounts from anywhere, anytime. A lot of such software is now also available through mobile apps to review reports on your mobile.

## #2 Budget Management Tool

Planning a budget could be a tedious task but having one can make your financial management relatively smooth. Once you know how much you should be spending in the coming month and how much money is expected to come, you can efficiently organize your work.

### Financial Management Tools



Online Accounting Software



Budget Management Tool



Spreadsheet



Variance Analysis Tool



Cost Management Tool

Popular tools such as Scoro, Centage, Float, Prophix can help you create a realistic budget based on your past expenditure and incomes along with estimation for the coming months.

## #3 Spreadsheet

The spreadsheet is the most convenient and most accessible tool to manage your finances. Spreadsheets can help you prepare a budget, track your expenses, track invoicing, and write notes for accounting entries. The benefit of writing notes for accounting entries is that you do not need to open your accounting software each time you purchase or receive an income.

Spreadsheets are easily accessible from anywhere, and you can give access to multiple users to make changes or enter details. You can simply customize the templates and start working on them.



#### **#4 Variance Analysis Tool**

Variance analysis gives you an idea of how much you spent, manufacture, or worked against what you expected you would pay, manufacture or work. However, to do this manually requires specific skills and hours of work. Variance analysis tools can help you consolidate different spreadsheets and convert them into variance analysis reports of budget vs. actual within minutes.

#### **#5 Cost Management Tool**

The cost management tools can help you manage cos projects' costs and integrate the estimated expenses, project analytics, and cost control. They allow you track your costs so that it does not exceed the estimated costs.

#### **Conclusive Thoughts**

Any tool picked without integrating their features with your needs could lead to massive confusion in your finances. It is always advisable to understand your financial management needs and select a tool that matches your needs.



# TAX UPDATES

CA. Azhar Sakriwala



## Re-elected government's agenda for tax

In their 2021 federal election campaigns, Canada's political parties made lots of promises about tax. With the election over and the government re-elected, the following are the anticipated tax changes could be on the way. However, it remains to be seen till what extent the changes shall be implemented.

### Reference

[Government announces targeted COVID-19 support measures to create jobs and growth - Canada.ca](https://apps.cra-arc.gc.ca/ebci/uisp/dtc/ng/entry)  
<https://apps.cra-arc.gc.ca/ebci/uisp/dtc/ng/entry>  
<https://www.cpacanada.ca/en/business-and-accounting-resources/taxation/canadian-tax-news>

### Increase taxes for banks and insurance companies

Corporate income tax rates on banks and insurance companies with income exceeding \$1 billion per year would be increased to 18 per cent (from 15 per cent). These companies would also pay a temporary Canada Recovery Dividend.

### Tax rules for landlords

Landlords would be required to disclose on their tax returns the rent they receive before and after renovations. A surtax would apply if the rent increase were excessive.

### Tax treatment of large corporate owners of residential properties

The government intends to review the tax treatment of large corporate owners of residential properties such as real estate investment trusts.

### Flow-through shares

The current flow-through share tax rules that apply to oil, gas and coal projects will be eliminated.

### Scientific Research and Experimental Development (SRED) Program

The SRED Program will be reformed to reduce red tape and better align eligible expenses with current innovation practices.

### Business investment tax credits

Commitments for new and amended tax credits for business investment include:

- introducing new investment tax credits for a range of renewable energy and battery storage solutions
- doubling the Mineral Exploration Tax Credit for materials on the Canadian list of critical minerals
- developing an investment tax credit of up to 30 per cent for a range of clean technologies, including low-carbon and net-zero technologies





## TAX MEASURES FOR INDIVIDUALS

On personal taxes, the government has laid out many potential new tax rules, deductions, and credits. These include:

### Minimum tax for higher-income individuals

In addition to the existing alternative minimum tax, a minimum tax would apply to individuals in the top tax bracket to ensure they pay federal tax of at least 15 per cent.

### Home office expenses

The home office flat rate deduction that applied for 2020 will be extended to 2021 and 2022, and the maximum deduction will be increased to \$500.

### Anti-flipping tax

An anti-flipping tax on residential properties held less than 12 months will be introduced.

### Deduction for health care professionals

The government will introduce a one-time income tax deduction for health care professionals of up to \$15,000 over their first three years of practice to help with the costs of setting up a practice.

### First Home Savings Account

A potential new savings account would allow Canadians under age 40 to contribute and save up to \$40,000 on a tax-free basis, to use for their first home purchase, with no requirement to repay.

### Employment Insurance (EI) benefit for self-employed individuals

A possible new EI benefit for self-employed Canadians would be delivered through the tax system and provide benefits like the current EI program.

### Digital platform workers

There are plans for legislative changes to ensure that workers employed by digital platforms are covered

by EI and the Canada Pension Plan (CPP), including employer contribution requirements.

### Introduce new non-refundable tax credits

The government plans to introduce a number of credits that appear to be additions to the existing block of non-refundable credits carrying a credit rate of 15 per cent. These potential credits include:

- a **Labour Mobility Tax Credit** for the eligible expenses of workers in the building and construction trades, allowing them to claim a tax credit based on eligible travel and relocation costs of up to \$4,000 (maximum credit of \$600)
- a **Multigenerational Home Renovation Tax Credit** for costs of up to \$50,000 for families adding a secondary unit to their home for an immediate or extended family member (maximum credit of \$7,500)
- a **Home Appliance Repairs Tax Credit** for the cost of home appliance repairs performed by technicians up to \$500 (maximum credit of \$75)
- a **Career Extension Tax Credit** for individuals aged sixty-five and over who earn a minimum working income of \$5,000 (maximum credit of \$1,650; reference is also made to reducing a portion of tax payable on this income)

### Changes to existing tax credits

In addition to new tax credits, there are commitments for adjustments to some existing credits. These include:

- reviewing the Disability Tax Credit and other federal benefit programs to ensure they are available to people experiencing mental health challenges
- increasing the credit rate for the Eligible Educator School Supply Tax Credit to 25 per cent and expanding eligibility to include tech devices
- increasing the Home Buyers' Amount to \$10,000 (from \$5,000), resulting in an additional credit of \$750





- converting the Canada Caregiver Amount into a refundable, tax-free benefit of up to \$1,250
- increasing the maximum amount of expenses allowed for the Home Accessibility Tax Credit to \$20,000 (from \$10,000), for a maximum credit increase of \$1,500
- expanding the Medical Expense Tax Credit to include costs reimbursed to a surrogate mother for in vitro fertilization expenses
- Extend the Canada Recovery Hiring Program until May 7, 2022, for eligible employers with current revenue losses above 10 per cent and increase the subsidy rate to 50 per cent.
- Since the wage subsidy, rent subsidy and lockdown support will expire on October 23, 2021, the government is introducing two new targeted support programs:
- Tourism and Hospitality Recovery Program, which would provide support through the wage and rent subsidy programs, to hotels, tour operators, travel agencies, and restaurants, with a subsidy rate of up to 75 per cent.
- Hardest-Hit Business Recovery Program, which would provide support through the wage and rent subsidy programs, would support other businesses that have faced deep losses, with a subsidy rate of up to 50 per cent.

### **Revised Disability Tax Credit Form T2201 and a new digital application for medical practitioners**

CRA has recently made changes to the Disability Tax Credit (DTC) application process. The key changes include:

- a significant revamp of Form T2201, Disability Tax Credit Certificate
- the launch of a new digital application that guides medical practitioners through the completion of Part B of Form T2201 and creates a completed form
- Form T2201, and any supporting documents can now be submitted using "Submit Documents" in My Account or Represent a client

### **Federal government proposes changes to business and worker support programs**

On October 21, 2021, the federal government announced proposed changes to both business and worker support programs. It was confirmed that the existing general support programs that were scheduled to end on October 23, 2021, will in fact end on schedule. However, more focused assistance will be made available as discussed below.

Changes to business support programs included:

Applicants for these programs will use a new "two-key" eligibility system whereby they will need to demonstrate significant revenue losses over the course of 12 months of the pandemic, as well as revenue losses in the current month.

Businesses that face temporary new local lockdowns will be eligible for up to the maximum amount of the wage and rent subsidy programs, during the local lockdown, regardless of losses over the course of the pandemic.

These programs will be available until May 7, 2022, with the proposed subsidy rates available through to March 13, 2022. From March 13, 2022, to May 7, 2022, the subsidy rates will decrease by half.



# IFRS UPDATES

by Editorial Team

Date	Topic	Updates	Full Read
26 November 2021	<b>IASB proposes disclosure requirements to enhance the transparency of supplier finance arrangements</b>	The International Accounting Standards Board has today published for public comment proposed changes in disclosure requirements to enhance the transparency of supplier finance arrangements and their effects on a company's liabilities and cash flows.	<a href="https://www.ifrs.org/news-and-events/news/2021/11/iasb-proposes-disclosure-requirements-to-enhance-transparency-of-supplier-finance-arrangements/">https://www.ifrs.org/news-and-events/news/2021/11/iasb-proposes-disclosure-requirements-to-enhance-transparency-of-supplier-finance-arrangements/</a>
23 November 2021	<b>November 2021 Islamic Finance Consultative Group meeting papers available now</b>	The agenda and agenda papers for the 30 November 2021 Islamic Finance Consultative Group meeting are now available.	<a href="https://www.ifrs.org/news-and-events/news/2021/11/ifcg-meeting-papers-available-now/">https://www.ifrs.org/news-and-events/news/2021/11/ifcg-meeting-papers-available-now/</a>
19 November 2021	<b>IASB proposes narrow-scope amendments to IAS 1 to improve information about long-term debt with covenants</b>	The International Accounting Standards Board has today proposed amendments to IAS 1 Presentation of Financial Statements to improve the information companies provide about long-term debt with covenants.	<a href="https://www.ifrs.org/news-and-events/news/2021/11/iasb-proposes-narrow-scope-amendments-to-ias-1/">https://www.ifrs.org/news-and-events/news/2021/11/iasb-proposes-narrow-scope-amendments-to-ias-1/</a>
23 September 2021	<b>September 2021 IFRIC Update available</b>	Read the September 2021 IFRIC Update <a href="#">here</a> .	<a href="https://www.ifrs.org/news-and-events/updates/ifric/2021/ifric-update-september-2021/">https://www.ifrs.org/news-and-events/updates/ifric/2021/ifric-update-september-2021/</a>

Source: <https://www.ifrs.org/>

# Financial analysis with Python programming language

CA. Ganapathy Ramachandran



Programming languages have come a long way since their inception in the early 1950s. They initially consisted of certain binary codes (1s and 0s). While Computers could directly execute this, it was difficult for humans to read. Subsequent generation of programming languages made it more intuitive for humans by using compilers and interpreters (which translated the human readable instructions into machine readable code). Fast forward to today, we have the current generation of open-source programming languages like python, R etc., which have become increasingly more user friendly than the predecessors. The advantage of Open-source programming languages is that there is an active developer community supporting it.

With the increasing penetration of internet and easy availability of large data sets, programming has found patrons in other fields like finance. Python, for instance, is being increasingly used to analyze financial data. One may wonder why to use Python instead of something like a spreadsheet. While Spreadsheet is an excellent tool, it invariably tends to slow down when fed with large data sets. Moreover, gone are the days when we had to download applications to execute the code. Websites like Google Colaboratory (Colab) mean that we can simply execute codes through a web browser.

The objective of this article is to illustrate some practical applications of python. The advantage of python is that there are many 'packages' to assist us. Packages just mean that they are prewritten codes by other developers to make coding faster and more accessible. This means that we can directly focus on our objectives without reinventing the wheel every time.

A step-by-step guide, along with a broad explanation of the code after each step, is provided below:

Link to Google colab

<https://colab.research.google.com/drive/>

The major advantage of Google colab over traditional applications is that there is zero configuration required. One can just open the link in a web browser and get started. All the major packages are available in the portal. Moreover, the output of each line of code is immediately executable, so we get to know of any error in real time.

Using python to compare the normalized prices of a portfolio of stocks

The following code is to be typed in google colab interface

```
import numpy as np
import pandas as pd
import pandas_datareader.data as web
```

Numpy and pandas are modules within python to perform financial calculations and arrange the data in a table. DataReader is a module which pulls financial data from the web. By executing the above code, we are importing these modules prior to using them.

```
[36] stocks = ['PG', 'GE']
```

The above code acts like a vessel (named - 'stocks') which holds two stock tickers one of P&G and one of General Electric

```
[3] my_pf = pd.DataFrame()
```

This code creates another empty Data Frame vessel (named - 'my\_pf'). We need to create this before we can collect the online data into this vessel.

```
[22] for i in stocks:
    my_pf[i] = web.DataReader(i, data_source='stock', start='2021-01-01', end='2021-10-01')['Close']
```

This code performs an iterative calculation. It takes the tickers from the stock vessel and searches for stock closing price from website called stooq. It then populates the vessel called my\_pf.

```
[41] my_pf
```

	PG	GE
Date		
2021-10-29	142.99	104.870
2021-10-28	142.68	105.260
2021-10-27	141.83	103.850
2021-10-26	142.85	107.440
2021-10-25	140.85	105.300
...	...	...
2021-01-08	135.38	90.514
2021-01-07	135.44	89.954
2021-01-06	136.71	90.673
2021-01-05	135.29	85.965
2021-01-04	134.44	83.567

209 rows x 2 columns

The output of my\_pf looks something like the one shown above. It displays the stock price of those two stocks across the date range

The above code normalizes the stock prices and plots it as a graph. It computes the rate of change in the respective stock price in comparison to the price at start date. Thus, we get a visualization of the trend over time.

The above example is just one such application of Python for financial analysis. There are tons of similar applications where we can use Python. Many websites maintain financial database APIs (machine readable data) for use through programming languages. We are at an exciting time where continued technological advancements have made coding more intuitive and closer to natural language.

This will make it accessible to more people.

References:

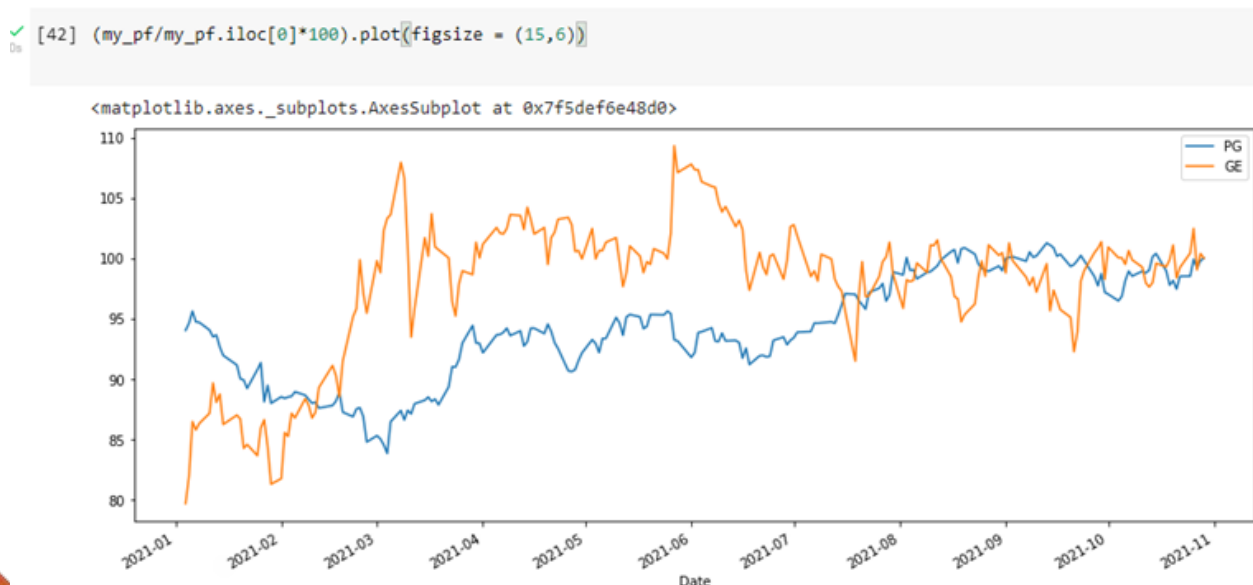
[https://pandas-datareader.readthedocs.io/en/latest/remote\\_data.html#remote-data-yahoo](https://pandas-datareader.readthedocs.io/en/latest/remote_data.html#remote-data-yahoo)

<https://www.udemy.com/course/python-for-finance-investment-fundamentals-data-analytics/>

<http://infotech100.weebly.com/distinguish-among-the-different-generations-of-programming-languages.html>

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# Company Formation in Canada

CS Lalit Rajput & CA Heer Gajjar



Since, many years, Canada has been ranked in top twenty-five countries among 190 countries by World Bank (World Bank annual ratings) for its ease of doing business which means incorporating a new business venture / entity in Canada is easy, simple, efficient, and quick. Even the Compliance Norms regarding Corporate Laws are straightforward, understandable, and easy to follow. A venture can easily comply with the Statutory Law provisions without excessive red tape or financial burden. Canada is a country of opportunity due to the availability of sound technology and resources provided by the Government.

## Regulatory Authorities in Canada for Company Registration:

The main authority that governs the process of company registration in Canada is the Corporations Canada. Presently, there are two types of corporations in Canada, which can be carried out under company registration in Canada and also supervises the process for company registration:

1. Federal Incorporation
2. Provincial Territorial Incorporation.

In Canada, Corporations Canada, is the country's federal corporate regulator which administers the laws and regulations that allow Canadians to create and maintain a corporation under the federal laws governing corporations in Canada.

## Corporations Canada is responsible for the administrating and for compliance activities the following Laws:

- Canada Business Corporations Act
- Canada Not-for-profit Corporations Act
- Boards of Trade Act
- Canada Cooperatives Act.

## The following are the benefits of company registration in Canada:

1. **Straightforward and Easy Incorporation Process:** Company formation in Canada is an online process. This makes it simple for an entrepreneur to incorporate a company in Canada.
2. **Less Cost of Incorporation and Pocket Friendly:** Company Registration / formation cost in Canada is quite low as compared to other countries
3. **Less Compliance Cost:** The annual compliance cost for running the company in the Canada is quite low.
4. **Global Infrastructure & EODB Initiatives:** Canada has been ranked in top G7 economies for their Ease of doing business (EODB) initiatives.
5. **Different Industries Incorporated:** As the process of formation is simple and compliance cost is less, various industries like the financial services sector, insurance business, legal sector as well as the automobile sectors flourished in Canada.

**6. Employment & Business opportunities:** Various sectors and corporates with continuous government support, offered to these industries better opportunity to grow.

**7. Corporate Tax Advantages:** Tax rates in Canada are comparatively less. The applicable federal tax rate stands at 15%. However, if the Canadian business is controlled by Canadian shareholders, then they can avail small business deductions (SBD). When taking all deductions and benefits then amount of tax paid by the Canadian Controlled company would be 11%.

**8. Beneficial Corporate Legislation:** In Canada, the status of the company or a corporation is different from its shareholders or members in accordance with provisions mentioned under the Applicable Laws. Hence even if the owners change, the business will exist. The company can also enter into different form of agreements and sue on contracts, like in India (Separate Legal Entity Concept). The company has the status of perpetual succession.

**9. Supportive Laws & Regulations:** All investments carried out by investors would have some form of protection, as law and legislation would support foreign investment and investors.

## Forms of Business Structures in Canada

A person or entity wishing to form a business entity in Canada can choose from several different business structures. There are following basic business structures available in Canada:

### 1) Sole Proprietorship:

Usually, this form of business structure is utilised in the process of company registration in Canada. Only drawback of having this form of business structure is the amount of liability is more for the individual.

- Easiest & less costly to set up.
- Owner solely controls the business.
- Tax reporting is simple (does not require a separate corporate tax return).
- Unlimited personal liability as there is no separation between the business and the owner.

- In this type of business structure, creditors can make a claim against the individual assets as well as business assets to satisfy any debts.

### 2) Partnership

In simple terms, it can be understood as an association of individuals with a common purpose of sharing profits. The individuals involved in a partnership would be two or more. Partnership Deed is required to be prepared and executed between the partners which is a major document to be kept safe to avoid any future dispute in business/trade.

- Formation is easy and inexpensive.
- Shared risk, as each partner is jointly liable for the debts of the partnership but in a limited partnership
- Shared management.
- Tax reporting is simple (does not require a separate corporate tax return).
- Either partner can be held responsible for business debts incurred by the other partner.

### 3) Corporation

This form of business incorporated with legal recognition having a capability of ownership to be transferable. It is separate from its shareholders as far as separate legal entity is concerned. It is preferred form of business as it is of limited liability, continuous existence and easier to raise capital than it might be with other business structure.

There are two types of corporations which can be carried out under company registration in Canada:

a) Federal Incorporation

b) Provincial Territorial Incorporation

- The shareholder of the corporation will not be personally liable for debts, obligation or acts of the corporation.
- Expensive to set up and maintain operation (Return Filings).
- Limited liability - owners are not responsible for company debts or obligations.
- Easier to raise capital from investors or financial



institutions.

- Being incorporated is often a requirement when doing business with governments or other businesses.

#### 4) Cooperative

This form of business is owned and controlled by an Association of members (AOM) and can be set up as a profit or as a not-for-profit organization. It is good to establish this form of organisation as it is most democratic form of Business.

- It has limited liability with the ownership and control by its members.
- Owned and controlled by its members.
- Decision making can be slow.
- The provisions related to the Canada Cooperatives Act (Coop Act) would be applicable to all forms of cooperatives incorporated in Canada.

#### Basic requirements for Company Formation - we must know:

1. Business Planning
2. Selection of Business Structure
3. Selection of business Idea & place of business having growth potential
4. Selection of Unique Business Name for reservation with the Statutory Authorities

*Names can be checked in the following website: [Click Here](#)*

*Checking names which are utilised by companies would be the Nuans Website: [Click Here](#)*

5. Choose trustworthy and expert business partners
6. Cost / Statutory Fee analysis and arrangement
7. Select expert professional who will give you good advisory and can help you to get the registrations / License done with the Statutory Authorities.
8. After basic understanding and required statutory funds arrangement, you can apply to Register your business with the statutory authority
9. Apply to obtain required permits and licenses to

run the operations of the business

10. Funds / Finance arrangement: Funds are the basic / primary need of every business structure. Funds are required at every step of the business. it is the step to be followed at any cost i.e., business support and financing for the same.

#### Company Formation Procedure:

Company Incorporation / Registration in Canada is easy, and it is advisable to hire / consult an Expert Professional Advisor to ensure that the specific needs of your corporation are met. In Canada, a company can be incorporated at either a federal or a provincial level. Federal incorporation allows a business to trade overseas and in any Canadian province whereas provincial incorporation allows a business to trade internationally and only in the single province in which it was incorporated.

#### In this connection, we are drafting this below mentioned procedure to be adopted for company registration / formation:

1. Preliminary Steps to be considered before operating a business in Canada. The applicant would have to choose the appropriate structure utilised for the business.

*To check the preliminary steps please [click here](#)*

2. Applicant must Register business name with the Statutory Authorities and should adhere the guidelines regarding naming the company.
3. The Business Entity after name registration is required to obtain Business Registration Number from the Statutory Authority to identify the business formed to federal, provincial, and municipal governments.
4. Incorporation / Formation of Business Entity in Canada can be done federally or provincially. Company Registration in Canada for federal as well as provincial companies can be carried out both through the offline procedure or the online procedure. The name once approved will last for maximum 90 days and it will expire.
5. Applicant is mandatorily required to prepare and sign the Article of Incorporation (Articles of Association).



If incorporator is a company, then articles must be signed by an individual authorized by that body. It can be either French or English or both.

6. The applicant must file the prescribed fees as per Canada Business Corporation Act in connection with the formation / incorporation of the Company.
7. After filing the complete application with all the required annexure / documents & information, the statutory authority (Corporations Canada) will review the documentation. Applications will be treated as complete application, if it includes all necessary documents, forms are complete, signed and fees are included.
8. In case business is running or services are provided from different addresses other than provincial addresses as mentioned in the Company records while filing Company incorporation application, then the same must be intimated to the authority on priority.

**9. Obtain necessary permits and License:**

As per the Canada Revenue Agency (CRA), any person doing or running business either in province or federal is required to obtain Business Number for GST/Harmonized Sales Tax (HST), Payroll deductions, corporate income tax, import and export duties and taxes. Some Municipalities also require permits to operate business on that locality like license of alcohol for restaurant services etc.

10. A bank account can be opened automatically as soon as a foreign company is registered.

**Documents Required for Company Registration / Formation**

- a) Certificate of Incorporation.
- b) Memorandum of Association and Articles of Association of the Company.
- c) Articles of Incorporation for a Federal Corporation or a Provincial Territory in Canada
- d) Registered Office of the Business and Information on first Board of Directors

- e) Nuans Name Search Report-
- f) Name approval copy
- g) Federal Business Number and the Income Tax Number
- h) Registered Office Address of the Business.
- i) Shareholders address proof if they are foreigners
- j) Copy of the Passport (Visa).
- k) Information on the Paid-up capital Requirement.
- l) Application filing fee.

**A foreigner needs to produce following documents to start business in Canada:**

- a) Documents of personal details
- b) All paperwork of company details
- c) Company legal structure document
- d) Tax registration certificate
- e) Visa permits

Canada is a country of good opportunity due to the availability of sound technology and resources provided by the Government. Apart from this supportive environment is also offered in Canada. Company registration in Canada is a seamless and straightforward process.

*Disclaimer: Every effort has been made to avoid errors or omissions in this material. Despite this, errors may creep in. Any mistake, error or discrepancy noted may be brought to our notice which shall be taken care of in the next edition. In no event the author shall be liable for any direct, indirect, special, or incidental damage resulting from or arising out of or in connection with the use of this information.*





# A Newcomer's Journey

CA. Amit Kumar Yadav



Hi, I am Amit Yadav, CA from the Institute of Chartered Accountants of India (ICAI) and have moved to Canada about two years back to enhance my professional career having already gained an experience of more than 4.5 years including articleship in the diverse fields of accounting, auditing, taxation, and finance. My journey was different, although not without challenges. I arrived here as a student of International Business Management at Cambrian College in Sudbury, ON. This course offered me a better insight into the Canadian business market. My first year in Canada was not easy. My arrival in Canada in January, 2020 was during a harsh winter. Hunting for employment proved to be challenging during this time. To make matters worse, suddenly there was an outbreak of the COVID-19 virus. I had a tough time surviving, so I had to ask for financial support from home. Then, I applied for peer tutoring for International Finance in my college. I did not have hands-on experience in Canada, but my professor showed confidence in me and referred me for the role. This was the start of my career in Canada. As a peer tutor, I was responsible to interact, guide and coach to assist the student for the course of international and corporate finance and help them become an independent learner. This helped me gain in depth understanding of Canadian Financial markets and made me a better learner too while sharing my knowledge.

I eventually got a part-time job at a retirement home after five months of unemployment. I continued my studies and achieved outstanding grades and recognition. The duration of the program was of 8 months with 2 months of Capstone Project after two semesters. Managing studies along with working part-time job is hectic in Canada, especially if you do not have a car. Also, the burden of paying high fees and living expenses is challenging. I used to write down the goals and break down into small tasks. This helped me focus on each task and plan out my days so that I was able to balance my work and studies. Due to my efforts in my professional career, I also received a scholarship from my college, which supported to continue my studies. During the end of my second semester, I got the opportunity to work with Hardline Solutions on a Capstone Project where I was appointed as a team leader by my program coordinator. The project was offered to us through program coordinator on behalf of Hardline Solutions. The company was in the process of switching to use of new kind of lead for manufacturing process but was not sure that they are legally allowed to do that in the country where it exports. We were entrusted to carry out research on 20 countries and document the law for the use of lead in each province/state of each country. We conducted the research work while continuously coordinated and communicated



with the Quality manager to provide regular updates and reporting. Even during the pandemic, I was able to complete the project on time. This helped me build the confidence to face and overcome all the challenges that come with leading a group. I learnt how leadership skills are important though the role may be big or small.

Following the course, I realized being a CA graduate, I should work in the financial sector, so I enrolled at Centennial College and studied Financial Planning. The program was online due to the pandemic. But only getting a college degree was not enough to excel, so I decided on taking a Canadian Securities Course. This course helped me strengthen my knowledge about financial markets in Canada i.e., mutual funds, derivatives, debentures, equity, legal procedures and so many more things. My career search began once I graduated from my second course. I worked on my resume and applied

for jobs. I made an optimal utilization of LinkedIn. I built a strong network, connected with professionals. And believe me each professional has shared something unique about the field and their experience.

The struggle in Canada taught me many lessons. As a professional accountant, I had high expectations. While moving from India, I thought the path would be straightforward. I imagined easily getting a job in my own field once I arrived in Canada. But the reality is different. My biggest lesson after moving here is that nothing comes easy in life. Enhancing my public speaking capacity, networking, and working on self-development are few areas out of many which I worked on after coming here. One must have faith and believe in oneself. Nothing is impossible but true dedication along with patience is required. Success will eventually knock on your door.



# Ongoing Programs

Mentorship  
Program

Toastmasters TCCA  
Speakers Club

Professional  
Circles

Talent Share  
Program



# Programs & Leads

## Samma Tulsani

Mentorship Program Lead



The Toronto Chapter of ICAI launched the Mentorship Program in the spring of last year amidst the pandemic. Amongst other things, the purposes of the Program was to provide guidance from our experienced and successful members to any member trying to find a job, seeking to enhance their career and professional progress in Canada. Our mentors who have volunteered for this initiative, collectively include a rich experience in myriad areas, including public accounting, taxation, private practice, risk management, business development/ management, internal audit, leadership roles, etc.

## Pooja Y Chaudhary

Mentorship Program Lead



## Dimple Gupta

Toastmasters International Program Lead



Effective communication is one of the most important life skills. We are pleased to introduce the Chapter's new initiative "Toastmasters International Club".

The Toronto Chapter of ICAI has chartered TCCA Speakers Club (the Toastmasters Club) for members of the chapter and their families, to help them improve their communication and leadership skills. This initiative started on Jan 20, 2021 and the club has been officially chartered on March 25, 2021 with 22 enthusiastic and confident members

## Akhil Kapoor

Professional Circles Program Lead



With an aim to connect the Chapter members in local areas and to promote formal and informal engagement amongst them, the Chapter initiated creation of Professional Circles at the beginning of the month of February 2021. As a pilot project, the Chapter has created four area specific Professional Circles ("Circles").

Members can join any of these Circles based on the region where members reside, however the Chapter allows a member to join any circle of their preference (irrespective of where they live).

# TCCA Speakers Club

**16 September 2021: TCCA Inductions**

## Club Charter certificate



**11 September 2021: Toastmasters group get-together**



MEMBER NAME	ROLE
Dimple Gupta	President
Akhil Iyer	Vice President Education
Rajani Asari	Vice President Public Relations

MEMBER NAME	ROLE
Rohit Goyal	Vice President Membership
Amit Narang	Secretary
Shambhavi Sharma	Treasurer

**New Timings - Thursdays - 7pm to 8pm (Bi-weekly)**

# Professional Circles

## Toronto Professional Circle ("Toronto Circle")

Total members as on date: **38**

Circle Leads: **Mustafa Ali Kadri,  
Samma Tulsani and Sherraine Tavares**



## Brampton Professional Circle

Total members as on date: **21**

Name of Circle Leads: **Limcy Thomas  
and Sinthia**



## Halton Professional Circle

Total members as on date: **13**

Name of Circle Leads:  
**Aarti Deshmukh and Harsh Khiara**



## Mississauga Professional Circle

Total members as on date: **21**

Name of Circle Leads:  
**Mohan Damle, Richa Srivastava and  
Newton Deniese**



## Durham Circle

Total members as on date: **5**

Join Durham Circle @  
[http://www.icaitoronto.com/  
ongoingeventviewdetails.php?id=NTk=](http://www.icaitoronto.com/ongoingeventviewdetails.php?id=NTk=)





## Bringing Bappa home – From India to Canada!

CA. Samma Tulsani



*Vakratunda Mahakaya Surya Koti Samaprabha |  
Nirvighnam Kuru Me Dev Sarv-Kaaryeshu Sarvadaa ||*

This is a prayer offered to Lord Ganesha before any new beginning to remove all the obstacles. It means:

"We salute our Supreme Lord, Ganesha, who has a curved trunk and whose radiance is equal to a million suns. May you bless all our endeavors and remove all obstacles from our path."

Being a big Ganesha devotee myself, all of my work begins by chanting his name. Needless to say, Ganesh Chaturthi has always been my favorite festival. Lord Ganesha is a symbol of wisdom and prosperity. I moved to Canada in late 2019 and soon afterwards the world was hit by the pandemic, which put all my celebration plans at bay. Finally, in 2021, I was determined to bring Bappa home – bring Him to MY HOME! Thankfully, things worked out as I had envisioned, and I was fortunate enough to fulfill a promise I made to myself – Bappa ghari aale (Lord Ganesha arrived at my home)

According to Hindu mythology, Goddess Parvati made Ganesha out of sandalwood to guard privacy while taking a bath. At that point, Ganesha denied Lord Shiva entry into his abode, because Goddess Parvati was bathing inside. Angrily, Lord Shiva beheaded the child (Ganesha). When Goddess Parvati came to know about the incident, she was left heartbroken, Lord Shiva promised to bring back Ganesha to life. The followers of Lord Shiva could only find an elephant's head though they searched for a child's head. Hence, Lord Ganesha came back to life with the head of an elephant. Lokmanya Bal Gangadhar Tilak made Ganesh Chaturthi a public event to unite people

during the British rule. This festival is celebrated with much zeal in India over a period of 11 days.. For me, Bappa came home for 1.5 days and then I went to LalBaug Cha Raja, Siddhivinayak, Titwala and other such famous Ganesh pandals and temples to seek blessings.

The month of September Makes me nostalgic and how! This year, we bought a small clay idol from Brampton. The house was decorated and all set to welcome Bappa. We invited our friends over. My house was filled with the chants of GANPATI BAPPAMORYA and the Ganesh aarti. Our families attended the Ganesh aarti through video calls Thankfully, technology doesn't let you realize that you are miles away from home. My 5 year old daughter was thrilled and dressed in traditional outfit, in line with the festive mood. For her, Ganpati is her friend who goes back home to his mom using the waterways (The concept of Visarjan).

Next day, it was time for Ganesh Visarjan. We filled a bucket with water for the Visarjan of our ecofriendly Bappa. Before bidding adieu, we whispered our wishes in Lord Ganesh's ear and then immerse the idol in water. Seeing him go made us very emotional but as we always say, "Purchya varshi lavkar ya" (Come back soon)

I feel proud to see my daughter interested in these festivals. She sure will learn the Canadian culture, but my husband and I try our best to teach her the Indian Culture and Value System. Yes, I am miles away from home, Phir bhi dil hai Hindustani! Ganapati Bappa Morya!



*Diwali - Rangoli design by CA. Dimple Gupta*



*Diwali celebrations photos by CA. Dweep Mehta,  
Spouse: Radhika Mehta, Kid: Nivaan Mehta*



*Diwali celebrations  
organized by Brampton  
Professional Circle*





*Photo shared by CA. Bhikhu Bhatt  
(Pearl Bhatt and Fiona Bhatt)*



*Photo shared by CA. Dweep Mehta,  
Spouse: Radhika Mehta, Kid: Nivaan Mehta*



*Photos shared by CA. Shaija Thayil*



# ART SECTION



Amaya Mallya - 5 years  
CA. Neha Mallya  
Hamilton



Shreya Patkar - 7 years  
CA. Sandeep Patkar  
Woodbridge



Ms. Maithili Goyal - 16 years  
CA. Rohit Goyal  
Brampton



Dhruhi Tulsani - 6 years, CA. Samma Tulsani, Pickering

# Management Committee



**Sandeep Patkar**  
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**Ritesh Desai**  
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**Vivek Kapoor**  
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## Useful Links

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**Member Services and IT Support:** Member\_services@icaitoronto.com

**Toastmasters TCCA Speakers Club information:** tccaspeakersclub@gmail.com, [LinkedIn](#), [Video](#)

**Mentorship Services, Career & Canadian, CPA related information:** mentoring@icaitoronto.com

**Professional Circles:** akapoor@icaitoronto.com

**PD events:** pd@icaitoronto.com

**Submission of articles to be published in the e-Newsletter:** ssharma@icaitoronto.com

**Other Useful links :** <http://www.icaitoronto.com/useful-links.php>

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