

INSTITUTE OF PROFESSIONAL BOOKKEEPERS OF CANADA

Financial Statements
(Unaudited)

May 31, 2016



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May 31, 2016

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REVIEW ENGAGEMENT REPORT

To The Members of
Institute of Professional Bookkeepers of Canada

We have reviewed the statement of financial position of Institute of Professional Bookkeepers of Canada as at May 31, 2016, and the statements of operations, changes in net assets and cash flows for the year then ended. Our review was made in accordance with Canadian generally accepted standards for review engagements and accordingly consisted primarily of enquiry, analytical procedures and discussions related to information supplied to us by management.

A review does not constitute an audit and consequently we do not express an audit opinion on these financial statements.

Based on our review, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with Canadian accounting standards for not-for-profit organizations.



CHARTERED PROFESSIONAL ACCOUNTANTS

Coquitlam, B.C.
August 10, 2016

INSTITUTE OF PROFESSIONAL BOOKKEEPERS OF CANADA STATEMENT 1 STATEMENT OF OPERATIONS

For the Year Ended May 31, 2016
(Unaudited)

	2016	2015
Revenue		
Membership fees	\$ 423,474	\$ 338,461
Sponsorship, partnership and others	56,091	74,913
Conferences - note 2	249,573	182,650
	729,138	596,024
Direct costs		
Advertising and promotion	11,889	11,069
Printing and reproduction	8,084	7,624
Program costs	37,490	46,918
Wages and subcontract fees	172,222	138,112
Web and databases maintenance	16,635	14,080
Conference costs - note 2	219,659	180,134
	465,979	397,937
Gross margin	263,159	198,087
General and administrative expenses		
Merchant fees, bank charges and interest	22,170	24,294
Insurance	5,073	3,369
Office and general	17,353	13,399
Professional development	7,823	2,053
Professional fees - note 3	23,921	17,242
Senior and executive wages and fees	87,144	84,174
Telephone	1,947	2,656
Travel	4,953	12,725
	170,384	159,912
Excess of revenue over expenses for the year	\$ 92,775	\$ 38,175

The accompanying notes are an integral part of these financial statements.



INSTITUTE OF PROFESSIONAL BOOKKEEPERS OF CANADA STATEMENT 2
STATEMENT OF CHANGES IN NET ASSETS

For the Year Ended May 31, 2016
(Unaudited)

	2016	2015
Net assets, beginning of year	\$ 126,775	\$ 88,600
Excess of revenue over expenses for the year	92,775	38,175
Net assets, end of year	\$ 219,550	\$ 126,775

The accompanying notes are an integral part of these financial statements.



INSTITUTE OF PROFESSIONAL BOOKKEEPERS OF CANADA STATEMENT 3
STATEMENT OF CASH FLOWS
For the Year Ended May 31, 2016
(Unaudited)

	2016	2015
Cash flows from (for) operating activities:		
Excess of revenue over expenses for the year	\$ 92,775	\$ 38,175
Changes in non-cash working capital		
Increase in accounts receivable	(9,624)	(2,000)
Decrease (increase) in prepaid expenses	36,522	(52,805)
Increase in accounts payable and accrued liabilities	3,616	2,746
Increase in deferred revenue	57,470	43,016
Increase (decrease) in government agencies payable	(14,256)	10,139
Increase in cash	166,503	39,271
Cash, beginning of year	226,690	187,419
Cash, end of year	\$ 393,193	\$ 226,690

The accompanying notes are an integral part of these financial statements.



INSTITUTE OF PROFESSIONAL BOOKKEEPERS OF CANADA STATEMENT 4
STATEMENT OF FINANCIAL POSITION
 May 31, 2016
 (Unaudited)

	2016	2015
ASSETS		
Current:		
Cash	\$ 393,193	\$ 226,690
Accounts receivable	11,625	2,000
Prepaid expenses - note 4	38,283	74,805
	443,101	303,495
Trademarks, at cost	27,599	27,599
	\$ 470,700	\$ 331,094
LIABILITIES AND NET ASSETS		
Current:		
Accounts payable and accrued liabilities	\$ 37,384	\$ 33,767
Deferred revenue - note 5	199,516	142,045
Government agencies payable	14,250	28,507
	251,150	204,319
Net assets	219,550	126,775
	\$ 470,700	\$ 331,094

Comparative figures - note 6

On behalf of the Board

A. Mueller Director
Sept 1 2016 Date

Lynda Vogel Director
Sept 1 2016 Date

The accompanying notes are an integral part of these financial statements.



INSTITUTE OF PROFESSIONAL BOOKKEEPERS OF CANADA

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended May 31, 2016

(Unaudited)

STATUTE OF INCORPORATION AND NATURE OF BUSINESS

The Institute of Professional Bookkeepers of Canada (the "Institute") is a national not-for-profit organization, incorporated under the Canada Corporation Act on January 31, 2007 and continued under the Canada Not-for-profit Corporations Act on August 14, 2014. The organization is exempt from income taxes under section 149 (1) (l) of the Income Tax Act.

The objectives of the Institute are to:

- maintain and improve the qualifications and standards of the bookkeeping profession through the development and implementation of bookkeeping certification and continuing education programs;
- promote and protect the interests and conserve the rights of those engaged in the bookkeeping profession;
- promote uniformity in bookkeeping standards and practices;
- undertake technical and statistical research relating to the bookkeeping profession;
- provide business information and statistics of interest to members of the organization;
- organize and hold conferences, educational events and round-table discussion groups and to provide trade related resources and opportunities for the benefit of members of the organization.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations applied on a basis consistent with that of the proceeding year. Outlined below are those policies considered particularly significant.

Trademarks

Trademarks are recorded at cost. Amortization has not been provided for. Trademarks are tested for impairment when the events or changes in the circumstances indicate the carrying values will not be recoverable. No impairment test has been performed for the current year.

Revenue Recognition

Membership fees are recognized as revenue when received.

Revenue from the Black Swan Program is recorded when the Institute commences service.

INSTITUTE OF PROFESSIONAL BOOKKEEPERS OF CANADA

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended May 31, 2016

(Unaudited)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONT'D

Financial Instruments

Measurement of financial instruments

The Institute initially measures its financial assets and liabilities at fair value and subsequently measures all its financial assets and financial liabilities at amortized cost.

Financial assets measured at amortized cost include cash and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

Impairment

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in net income. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in net income.

Transaction costs

The Institute recognizes its transaction costs in net income in the period incurred. However, financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption.

Use of Estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Estimates are used for, but are not limited to, the accounting for doubtful accounts, accrued liabilities, impairments and contingencies. Actual results may differ from those estimates.

INSTITUTE OF PROFESSIONAL BOOKKEEPERS OF CANADA

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended May 31, 2016

(Unaudited)

2. CONFERENCES

	2016	2015
Revenues		
Sponsorship	\$ 138,128	\$ 76,270
Ticket sales	111,445	106,380
	249,573	182,650
Costs		
Hotel, travel and meals	120,964	114,299
Printing, marketing and advertisement	11,843	12,981
Presentations and general	28,027	10,716
Staff wages and casual labour	58,825	42,138
	219,659	180,134
Net earnings	\$ 29,914	\$ 2,516

3. PROFESSIONAL FEES

During the fiscal period, the Institute incurred various professional fees as follows:

	2016	2015
Accounting fees	\$ 7,500	\$ 2,356
Bookkeeping fees	9,000	8,400
Bylaw and legal fees	7,421	6,486
	\$ 23,921	\$ 17,242

4. PREPAID EXPENSES

The amount includes \$28,296 (2014 - \$74,805) expenses and deposits paid for a conference to be held after the year end.

5. DEFERRED REVENUE

The amount represents fees received for a conference to be held after the year end.

6. COMPARATIVE FIGURES

Certain balances of the preceding period have been reclassified to conform with the current period's financial statement presentation.

