

**INTERNATIONAL ASSOCIATION OF
BUSINESS COMMUNICATORS IN
BRITISH COLUMBIA**

Financial Statements
June 30, 2017
(Unaudited)

<u>Index</u>	<u>Page</u>
Review Engagement Report to the Members	1
Financial Statements	
Statement of Financial Position	2
Statement of Operations	3
Statement of Changes in Net Assets	4
Statement of Cash Flows	5
Notes to Financial Statements	6 - 8

REVIEW ENGAGEMENT REPORT

TO THE MEMBERS OF INTERNATIONAL ASSOCIATION OF BUSINESS COMMUNICATORS IN BRITISH COLUMBIA

We have reviewed the statement of financial position of International Association of Business Communicators in British Columbia as at June 30, 2017 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 inquiry, analytical procedures and discussion related to information supplied to us by the Association.

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.

Smythe LLP

Chartered Professional Accountants

Vancouver, British Columbia
January 30, 2018

INTERNATIONAL ASSOCIATION OF BUSINESS COMMUNICATORS IN BRITISH COLUMBIA

Statement of Financial Position

June 30

(Unaudited)

	2017	2016
Assets		
Current		
Cash - unrestricted	\$ 37,114	\$ 26,140
Cash - internally restricted for scholarships	2,171	1,813
Term deposit	18,000	0
Accounts receivable	5,577	7,964
GST receivable	534	324
	63,396	36,241
Term Deposit	0	18,000
	\$ 63,396	\$ 54,241
Liabilities		
Current		
Accounts payable and accrued liabilities	\$ 10,218	\$ 3,665
Net Assets		
Operating Fund	51,007	48,763
Internally Restricted Fund	2,171	1,813
	53,178	50,576
	\$ 63,396	\$ 54,241

Approved by the Board:

Director

Director

INTERNATIONAL ASSOCIATION OF BUSINESS COMMUNICATORS IN BRITISH COLUMBIA
Statement of Operations
Year Ended June 30
(Unaudited)

	2017	2016
Receipts		
Sponsorships in kind	\$ 46,950	\$ 49,000
Jobline	28,793	24,832
Membership dues	18,062	17,819
Grants	15,405	0
Event fees	12,090	17,710
Other	1,106	2,610
Sponsorship	750	5,300
Leadership development	0	1,500
	123,156	118,771
Expenditures		
Sponsorships in kind	46,950	49,000
Office	40,473	39,484
Catering and venue rental	17,096	17,937
Food and beverage	3,982	3,586
Bank charges and credit card fees	3,917	2,829
Professional fees	3,000	2,913
Prizes and speaker gifts	2,796	2,427
Website	1,462	781
Scholarship	750	799
Telephone	128	148
Travel	0	322
Equipment rental	0	598
	120,554	120,824
Excess (Deficiency) of Receipts over Expenditures for Year	\$ 2,602	\$ (2,053)

INTERNATIONAL ASSOCIATION OF BUSINESS COMMUNICATORS IN BRITISH COLUMBIA

Statement of Changes in Net Assets

Year Ended June 30

(Unaudited)

	Operating Fund	Internally Restricted Fund	2017	2016
Balance, Beginning of Year	\$ 48,763	\$ 1,813	\$ 50,576	\$ 52,629
Excess (deficiency) of receipts over expenditures for year	2,602	0	2,602	(2,053)
Transfer of funds	(358)	358	0	0
Balance, End of Year	\$ 51,007	\$ 2,171	\$ 53,178	\$ 50,576

INTERNATIONAL ASSOCIATION OF BUSINESS COMMUNICATORS IN BRITISH COLUMBIA

Statement of Cash Flows

Year Ended June 30

(Unaudited)

	2017	2016
Operating Activities		
Excess (deficiency) of receipts over expenditures	\$ 2,602	\$ (2,053)
Changes in non-cash working capital		
Accounts receivable	2,387	(5,495)
GST receivable	(210)	137
Accounts payable and accrued liabilities	6,553	911
	8,730	(4,447)
Cash Provided by (Used in) Operating Activities	11,332	(6,500)
Inflow (Outflow) of Cash	11,332	(6,500)
Cash, Beginning of Year	27,953	34,453
Cash, End of Year	\$ 39,285	\$ 27,953
Represented by:		
Cash - unrestricted	\$ 37,114	\$ 26,140
Cash - internally restricted for scholarships	2,171	1,813
	\$ 39,285	\$ 27,953

INTERNATIONAL ASSOCIATION OF BUSINESS COMMUNICATORS IN BRITISH COLUMBIA
Notes to Financial Statements
Year Ended June 30, 2017
(Unaudited)

1. ORGANIZATION AND NATURE OF OPERATIONS

Established in 1980, the BC Chapter of the International Association of Business Communicators ("IABC/BC" or the "Association") is one of 105 chapters worldwide. Locally, it consists of over 600 members based throughout the province of British Columbia.

IABC/BC's mission is to anticipate and meet the professional development needs of its members, promote and recognize effective business communication, and provide communicators with a network of information and support that offers members a competitive advantage.

IABC/BC is a not-for-profit, volunteer-run association incorporated under the *Societies Act* (British Columbia) and is exempt from income taxes under section 149(1)(l) of the *Income Tax Act* (Canada).

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Association were prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO") and include the following significant accounting policies.

(a) Fund accounting

The Association follows the deferral method of accounting for contributions.

(i) Operating Fund

The fund is for the Association's program delivery and administrative activities. This fund reports unrestricted resources.

(ii) Internally Restricted Fund

The fund was established for the purpose of providing scholarships and is internally restricted by the members of the Board of Directors.

(b) Revenue recognition

(i) Membership dues are recognized in the year in which they are receivable.

(ii) Event fees are recognized as revenue when the events are held.

(iii) All other receipts are recognized when received.

(c) Contributed goods and services

Volunteers contribute a significant number of hours per year to assist IABC/BC in carrying out its service delivery activities. For those goods and services where a fair value can be determined, amounts have been reflected in the financial statements.

(d) Capital assets

Capital assets are expensed on acquisition. Capital assets include equipment. No capital assets were purchased in fiscal 2017 (2016 - \$nil).

INTERNATIONAL ASSOCIATION OF BUSINESS COMMUNICATORS IN BRITISH COLUMBIA
Notes to Financial Statements
Year Ended June 30, 2017
(Unaudited)

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Financial instruments

The Association initially measures its financial assets and liabilities at fair value, except for certain non-arm's length transactions. The Association subsequently measures all its financial assets and financial liabilities at amortized cost.

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. The amount of any write-down would be recognized in the statement of operations. In the event a previously recognized impairment loss should be reversed, the amount of the reversal is recognized in the statement of operations provided it is not greater than the original amount prior to write-down.

For any financial instrument that is measured at amortized cost, the instrument's cost is adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption. These transaction costs are amortized into income on a straight-line basis over the term of the instrument. All other transaction costs are recognized in the statement of operations in the period incurred.

(f) Use of estimates

The preparation of these financial statements in conformity with ASNPO requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of receipts and expenditures during the reporting period. Significant estimates include collectability of accounts receivable, the value of sponsorships in kind and the amount of accrued liabilities. While management believes these estimates are reasonable, actual results could differ from those estimates and could impact future results of operations and cash flows.

3. FINANCIAL INSTRUMENTS

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates.

The Association is not exposed to significant interest rate risk due to the short-term maturity of its monetary current assets and current liabilities.

(b) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Association is exposed to credit risk with respect to its cash and term deposit; however, this is mitigated as the cash and term deposit are placed with a reputable Canadian credit union. The Association is not exposed to credit risk with respect to its accounts receivable, as the balance primarily consists of amounts due from companies using Jobline to post jobs to the Association's membership. The Association has no history of non-payment from these companies.

INTERNATIONAL ASSOCIATION OF BUSINESS COMMUNICATORS IN BRITISH COLUMBIA

Notes to Financial Statements

Year Ended June 30, 2017

(Unaudited)

4. REMUNERATION OF DIRECTORS, EMPLOYEES AND CONTRACTORS

During the year, the Association did not pay any employee or contractor in excess of \$75,000. The Association does not provide remuneration to its Board of Directors.