



**HUMAN RESOURCES
MANAGEMENT ASSOCIATION**

The Voice of the HR Profession

**Annual Report and
Audited Financial Statements**

2015



The Human Resources Management Association

Every day, the Human Resources Management Association (HRMA) propels the HR profession forward by supporting its members with education and advocacy. We are the voice of the HR profession.

Founded in 1942, HRMA has grown to include more than 5,700 members in BC and the Yukon. The Association is the sole grantor of the Certified Human Resources Professional (CHRP) designation in BC and the Yukon. As a member of the Canadian Council of Human Resources Associations, HRMA contributes to setting and upholding the national standards for the CHRP. In addition, HRMA offers professional development, networking and resources for every stage of your career.

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Message from the President & CEO



Anthony Ariganello, FCPA, FCGA, FCCA(UK), CPA(DE), ICD.D

The honour of serving as your President and CEO could not be greater than in the past year. Together, we are taking the profession of human resources and the Certified Human Resources Professional (CHRP) designation into a new era of business potential.

The strength of our efforts to have HR recognized as a tier-one profession—backed by the nationally-shared and globally-recognized CHRP designation—only grows. Supported by a Code of Ethics and Rules of Professional Conduct reflective of the professionalism of HR, this journey is exciting and essential. We have also made bold new partnerships with post-secondary institutions and business associations in BC, the Yukon and beyond. What we have accomplished speaks

to the efforts and energies of our Board of Directors, staff and member volunteers in our shared vision of the true strategic offering of HR professionals. At our core, we continue to build value into our membership with dynamic offerings and events, while continuing to establish the over-arching value of the profession as a business partner. I would like to thank all of you for making HRMA what it is today—and all that we will become.

Message from the Chair



Terrence (TJ) Schmaltz, CHRP

To serve as your chair is an honour and confirmation of the growing strength of our Association. From the commitment of our Board of Directors, to the volunteers who support every HRMA effort, as well as the Association staff and broader membership, it has been an exciting year.

Many foundational pieces are now in place to propel our Association forward in the year to come. As we continue in our efforts to ‘professionalize the profession,’ our Association has taken bold steps to bring HR into the public and business consciousness. From media campaigns to our outstanding annual Conference + Tradeshow, the message that “we are all human resources” is being taken to heart. So too have our efforts towards the self-regulation of HR as a tier-one profession, akin to accountants

and engineers, helped to clarify the strategic role of HR. As an Association and as a profession, we continue to grow, as do the number of CHRP holders in our midst—assuring us of an even stronger tomorrow. For their role in building that tomorrow, I would like to thank our outgoing Board members, and warmly welcome those who will build upon their efforts and vision. As your Chair and as an HR professional, I know we will go great places together. Thank you all.

The Year in Review

This Annual Report provides an overview of HRMA's activities for January 1 – December 31, 2015.

The previous year was one of progress. Building on the HRMA Strategic Plan created a year earlier, the Association made strong steps forward in a number of areas.

HRMA forged dynamic partnerships with post-secondary institutions to carry the message and value of HR to those just entering the profession. That same message has also been delivered abroad as the Association continued to make connections through Memorandums of Understanding and initiatives designed to open international membership pathways.

The last year also saw forward momentum on professional development, transitioning HRMA to a proactive leader of professional development and career advancement training. The largest project was the design and planning of an innovative, flexible certification program—SmartPass.

Also contained within this report is information on the 'professionalization' of the profession. Working toward the ultimate goal of self-regulation, HRMA focused attention on improving professional standards for those who hold the Certified Human Resources Professional (CHRP) designation. As a result, the Association introduced a new Code of Ethics and Rules of Professional Conduct, a new Compliance Standard, and a new Continuing Professional Development Standard.

Through these activities and more, HRMA continued to build on strong foundations while developing new strategies to boldly advance your profession, your designation and your Association.

A woman with dark hair, wearing a red jacket, stands in an office environment with large windows in the background. She is smiling and has her hands clasped in front of her. An orange rectangular box is overlaid on the left side of the image, containing the text 'Strategic Priority 1'.

Strategic Priority 1

As the champion of HR matters in BC and the Yukon, HRMA will comprehensively serve the public interest.

Pursuing Self-Regulation in BC

As is the case with a number of professions such as dentistry, accountancy, engineering, and registered nursing, HRMA has in recent times been pursuing self-regulation of the HR profession in British Columbia. Like its professionally recognized counterparts, HRMA abides by the fundamental objective that a profession has the duty to protect public interests through the standardization and codification of practices which accentuate competence, honour, and ethical conduct. Human resources management professionals play a central function in today's organizations and an important role in society — one which impacts the welfare of other people. Consequently, the profession earnestly acknowledges its obligations to act with due care and the accompanying exercise of sound professional judgement which serve the interests of society.

Self-regulation serves to raise the standards of the profession while ensuring that the Association has the ability, as prescribed by provincial legislation, to establish the governing principles to which designated members will be held. The purpose of such regulation is to ensure that a professional group, such as HR practitioners, practice in a responsible and ethical manner, while self-regulation means that the government has explicitly authorized a representative body such as HRMA with the privilege and responsibility to regulate itself. Self-regulation acknowledges that a profession is in the best position to regulate its members because their specialized body of knowledge makes external regulation difficult or impractical. HR professionals understand the business of human resources management, so it is reasonable for the profession to regulate itself in so long as it does so in the

public interest. Moreover, the establishment of a self-regulatory construct heightens accountability and affords recourse to those alleging misconduct or wrongdoing.

HRMA began its pursuit of regulating the HR profession in BC in 2014. Since then, a number of initiatives have been undertaken to increase member awareness and support including informational articles, media releases, information on the HRMA website, increased research and advocacy, and a short information video. The Association met with a number of provincial government officials, business leaders and other stakeholders to communicate the HRMA message and to gain support. Government relations roundtables occurred throughout the province while a formal submission was made to government in late 2015 with an eventual view to enacting legislation.

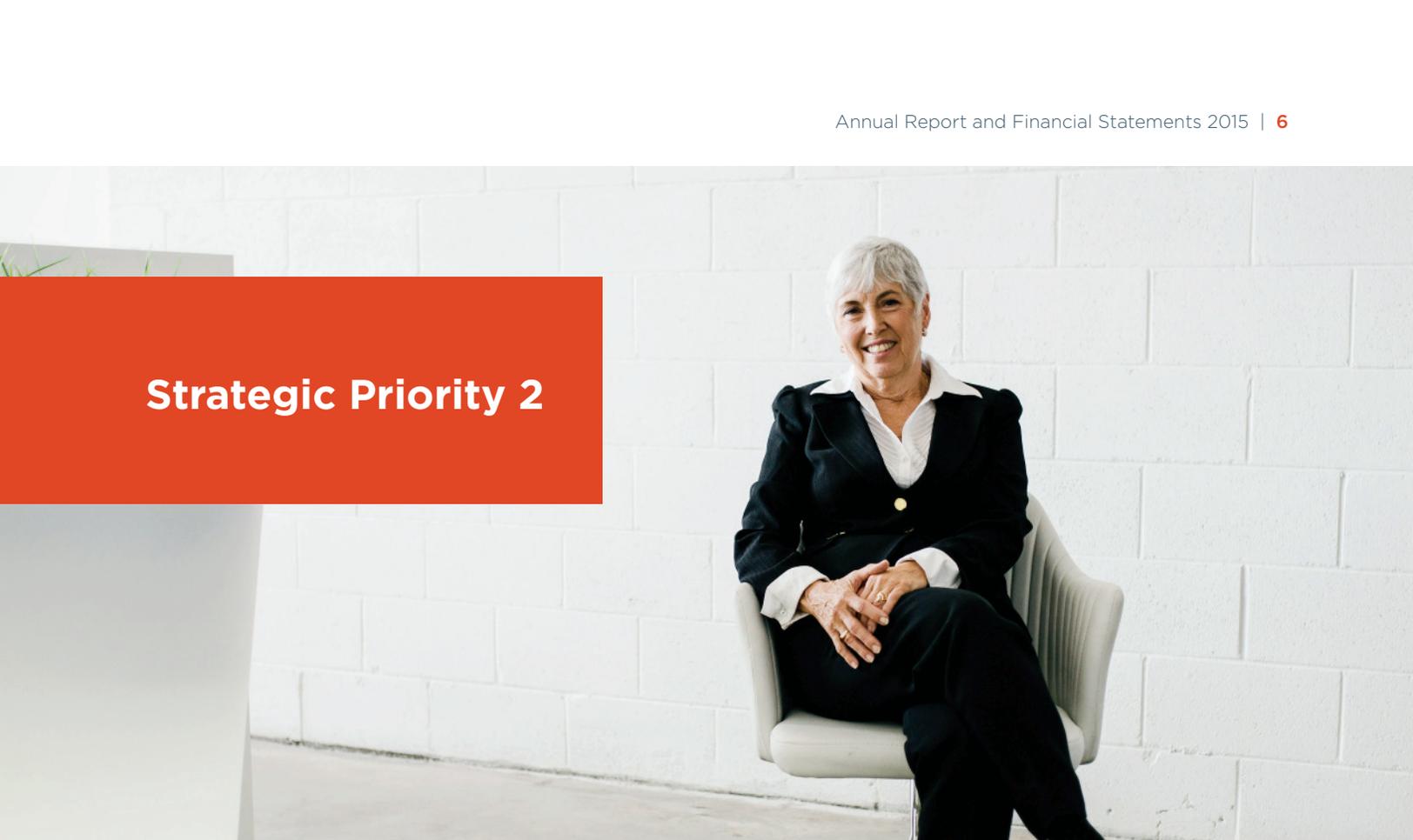
In addition to growing its public footprint and initiating exchange with government officials, HRMA anticipated the need to:

1. Set standards for HR education, professional standing, and practice
 - establishing and monitoring continuing competence requirements
 - approving HR education and exam preparation programs
 - administering National Knowledge Exams (NKE)
 - maintaining membership registries
 - providing guidance and advice
 - ensuring to support members in complying with Association standards
 - maintaining good standing
2. Support designation holders in meeting these standards
 - maintaining member registers and communicating important milestones
 - assisting members in maintaining 'good standing' with the Association
 - offering professional development opportunities and resources
3. Take action when these standards are not met
 - receiving and managing complaints against members
 - conducting investigations as circumstances may dictate
 - rendering decisions in complaints and appeals
 - directing appropriate remedial or disciplinary actions as required

As a result, HRMA introduced, subsequent to external invitation to comment, a voluntary regime comprising of:

- The Code of Ethics and Rules of Professional Conduct;
- Compliance Standard; and,
- CPD Standard.

Taken together, these HRMA standards intend to enhance protection of the public through responsible, objective, unimpaired, and ethical conduct of HR practitioners in the performance of their work by virtue of a number of professional conditions and supporting activities.



Strategic Priority 2

As the preeminent HR body in BC and the Yukon, HRMA will advocate for advancement in the field of human resources management and be the leader in elevating the recognition and observable value of HR professionals—and in particular of CHRP designation holders.

Certified Human Resources Professional (CHRP)

This past year, 120 members successfully met the requirements for the CHRP designation. There are more than 3,300 CHRPs and candidates in progress in BC and the Yukon.

As part of HRMA's member growth strategy, HRMA prepared alternate paths to the CHRP designation to be effective January 2016. These accepted paths included opportunity for exam exemption based on educational criteria, recognition of CHRP equivalent designation holders acknowledged through Mutual Recognition Agreements, and Association approved certification options for international prospects.

Media Relations

The Association has continued efforts to promote the profile of the profession, HRMA, and the CHRP designation through the distribution of press releases and media commentary on the issues facing today's HR professionals. Notable media coverage included commentary on the Ahead of the Talent Curve: Ensuring BC's Competitive Edge whitepaper published by Canada's Public Policy Forum in partnership with HRMA in *Douglas* magazine. In addition, HRMA partnered with *BCBusiness* magazine and Ipsos on The Future of Work and BC's advantage which included commentary.

Stakeholder Engagement

HRMA continued to use email as the primary method of communication for the Association, supplemented by the quarterly magazine *PeopleTalk* and online digest HRVoice.org. Social media also remained a significant opportunity to engage with members and key stakeholders. In 2015, LinkedIn proved to be the Association's most popular platform with 7,795 group members and more than 50,000 followers of the HRMA company page.

Professional Development

Focused on excellence, HRMA re-engineered its professional development offerings. It was clear that members needed a learning option that was flexible, covered a wide-range of key business topics, and provided recognition for achievements. As a result, HRMA designed SmartPass—an innovative, state-of-the-art professional training and certification program with learning partners such as Harvard Business Publishing.

Through SmartPass, the Association created certification and specialization opportunities in 10 core areas: Leadership, Strategy, Change Management, Coaching, Innovation, Project Management, Personal Development, HR, Business, and Management. HRMA became the first institution in Western Canada to integrate Open Badge technology in learning and certification.

In addition, the Association executed partnerships and strategic alliances with top-ranked partners such as Harvard, UCLA, Berkeley, UBC, SFU, Duke University, California State University, and Capilano University. The new partnerships gave members access to high-quality learning at a reduced price while also advancing HRMA's reputation locally and internationally. One such example is the online Advanced Human Resources Management program offered by UCLA and customized for HRMA.

In 2015, HRMA also began work on professional development projects including:

- An individual CHRP-aligned course in partnership with UBC and SFU
- An online CHRP exam prep course
- A two-day Total Rewards Management program
- A Management Specialist workshop with Harvard ManageMentor

Complementing these new projects, the Association continued to offer its traditional professional development in various regions throughout BC and the Yukon. This included in-person workshops, live webinars, one-day and two-day symposia, and CHRP exam prep courses.

Research

HRMA's research function serves to support an increase in the knowledge, strategic capability and impact of the Association and its members while also supporting a longer-term strategy of bolstering its advocacy and thought leadership presence.

In 2015, released research papers included:

- *Integrated Reporting and Human Capital: Next Steps for the Private and Public Sectors in BC* – based upon increased support for 'integrated reporting' by influential people including Mark Carney, Governor of the Bank of England and previously Governor of the Bank of Canada

This whitepaper explores reporting that integrates financial and non-financial data such as human capital data to reveal how the organization generates value for multiple stakeholders.

- *Is Canada Due for Pension Reform?*

In response to growing consideration by provinces to supplement the CPP by dedicated provincial pension plans, HRMA cautioned against excessive tinkering with Canada's four existing retirement pillars – particularly during these vulnerable economic times.

- *Ahead of the Talent Curve: Ensuring BC's Competitive Advantage*

Reliant on a series of public roundtables comprising of representatives from business, government, academia, not-for-profit groups and HR leaders, an assessment of BC's opportunities and successes was rendered along with accompanying recommendations deemed necessary to meet future HR needs in BC.

- *Minimum Wage: Should British Columbia Adapt?*

Recognizing BC's current Canadian minimum wage ranking and BC's cost of living relative to other Canadian provinces, HRMA makes the case that based on a progressive economics model, BC is well justified to establish an independent panel comprising of representatives from business, government, labour, and youth to examine minimum wage levels and to table a process by which the minimum wage level and any future prospective increases might be assessed.

- *Looking Ahead to 2016*

As a joint undertaking between HRMA, the Human Resources Institute of Alberta, and Alexander Whitehead, a survey of HR leaders was administered in BC and Alberta to collect insights on issues impacting their regions, organizations and their own personal objectives for 2016.

Partnerships with Post-Secondary Institution

The Association signed a partnership agreement with Kwantlen Polytechnic University (KPU) to collaboratively provide HR students with the skills, training, industry networks and learning resources needed to build successful careers. The agreement was the first in Western Canada to offer CHRP exam equivalency opportunities based on educational criteria. Following on the success of the KPU partnership, HRMA began exploring similar partnerships with schools such as the British Columbia Institute of Technology and Camosun College.

Student Scholarships

The Association continued its support of students enrolled in the HR field of study by funding scholarships, bursaries and awards. Financial awards may also include a free HRMA membership and/or free registration to the Annual Conference + Tradeshow.

HRC West Case Competition

HRMA entered into a partnership with the Human Resources Institute of Alberta (HRIA) to jointly host the HRC West Case Competition on a rotational basis. Plans were organized for the HRIA-hosted 2016 event with HRMA agreeing to provide promotional support and a judge for the final round. HRMA is due to host the event in BC in 2017.



Strategic Priority 3

HRMA will experience sustained growth and increased member satisfaction, ensuring viability and continuity well into the future.

Awareness Campaign

A second flight of the Association's awareness campaign – We Are All Human Resources – ran September to November 2015. A variety of different media were used including: *Business in Vancouver*, *BCBusiness*, News 1130/CKNW/AM 730, and digital ads through Rocketfuel. A video, *Is HR Your True Calling?*, was also created to educate high school and post-secondary students about how HR is a career of choice.

Partnerships

HRMA connects with like-minded organizations to provide members with additional learning and growth opportunities as well as member discounts and value-added services. Notable this year were the continuation of a partnership with HR Downloads as well as Venngo which provides members access to MemberPerks.

International Member Growth

The Canadian Council of Human Resources Associations (CCHRA) signed a Memorandum of Understanding with the Hong Kong Institute of Human Resources Management (HKIHRM) to promote the profession of Human Resources across as wide a scope as possible. In light of that partnership, HRMA began exploring international membership pathways for HR professionals based in Hong Kong. Plans are also being developed for collaborations with HKIHRM on certain projects.



Financial Statements

December 31, 2015



Independent Auditors Report'

To the Members of
Human Resources Management Association

We have audited the accompanying financial statements of Human Resources Management Association which comprise the statement of financial position as at December 31, 2015 and the statements of operations, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of Human Resources Management Association as at December 31, 2015, and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Report on Other Legal and Regulatory Requirements

As required by the British Columbia Society Act, we report that, in our opinion, these principles have been applied on a basis consistent with that of the preceding year.

Original copy signed by:

EPR Maple Ridge Langley
Chartered Professional Accountants

Langley, BC
March 24, 2016

Management Responsibility for Financial Reporting

The accompanying financial statements of the Human Resources Management Association are the responsibility of its management and have been approved by the Board of Directors.

These financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations and, where appropriate, include amounts that are based on management's best estimates and judgments.

Preparation of financial information is an integral part of the ongoing operations of the Association. Management has established internal control systems to ensure that the financial information is accurate and complete in all material respects and that Association assets are properly accounted for and safeguarded.

The Board of Directors carries out the responsibility for the financial statements through the Association's Audit and Finance Committee, which is comprised of three members-at-large. The Audit and Finance Committee meets periodically with management and the auditors to satisfy the adequacy of internal controls and to review the financial statements and independent auditors' report. The Audit and Finance Committee reports its findings to the Board of Directors and recommends acceptance of the audited financial statements to the Board and the membership.

The financial statements have been audited by the independent auditor EPR Maple Ridge Langley, Chartered Professional Accountants, whose report outlines the scope of their examination and their opinion on the financial statements. The auditors have full and independent access to the Audit and Finance Committee to discuss their audit and related findings.

Original copy signed by:

Anthony Ariganello, FCPA, FCGA, FCCA(UK), CPA(DE), ICD.D
President & Chief Executive Officer

Statement of Financial Position

As at

	December 31, 2015	December 31, 2014
	\$	\$
ASSETS		
Current		
Cash	216,291	600,303
Short-term investments (note 3)	450,138	511,401
Accounts receivable (note 4)	144,907	141,047
Prepaid expenses (note 5)	248,522	303,592
Total current assets	1,059,858	1,556,343
Long-term investments (note 6)	1,022,002	999,422
Capital assets (note 7)	10,307	15,651
Intangible assets (note 8)	79,780	102,104
	2,171,947	2,673,520
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable and accruals (note 9)	234,698	169,647
Unearned revenue	1,179,189	1,034,613
Total liabilities	1,413,887	1,204,260
Net assets		
Invested in capital assets	90,088	117,755
Internally restricted (Note 10)	-	225,707
Unrestricted (note 11)	667,972	1,125,798
Total net assets	758,060	1,469,260
	2,171,947	2,673,520

Commitments (note 13)

See accompanying notes to the financial statements.

On behalf of the Board:

Original copy signed by:

TJ Schmaltz, CHRP
Chair

Original copy signed by:

Cameron MacKenzie, CHRP
Chair, Audit and Finance Committee

Statement of Changes in Net Assets

Period ended

	Invested in Capital Assets \$	Internally restricted \$	Unrestricted \$	Total \$
December 31, 2015 (12 months)				
Balance, beginning of period	117,755	225,707	1,125,798	1,469,260
Revenue under expenses	(33,371)	-	(677,829)	(711,200)
Acquisition of capital assets	5,704	-	(5,704)	-
Interfund transfers	-	(225,707)	225,707	-
Balance, end of period	90,088	-	667,972	758,060
December 31, 2014 (6 months)				
Balance, beginning of year	134,479	300,782	1,389,125	1,824,386
Revenue over (under) expenses	(18,992)	-	(336,134)	(355,126)
Acquisition of capital and intangible assets	2,268	-	(2,268)	-
Interfund transfers	-	(75,075)	75,075	-
Balance, end of year	117,755	225,707	1,125,798	1,469,260

See accompanying notes to the financial statements.

Statement of Operations

Period ended

	December 31, 2015	December 31, 2014
	\$	\$
	(12 months)	(6 months)
REVENUE		
Advertising and communication	460,871	205,406
Conference	1,148,553	12,009
Membership	2,040,787	917,106
Professional development	333,433	133,026
Other	90,064	118,163
	4,073,708	1,385,710
EXPENSES		
Advertising and communication	166,437	57,875
Amortization	33,371	18,992
Bank charges and credit card fees	107,327	37,632
Computer services	136,740	88,166
Conference	830,174	53,047
Legal and audit	55,619	17,440
Membership and professional designation	120,629	114,733
Office, printing, supplies and other	278,455	191,590
Professional development	122,545	131,248
Rent	177,984	83,320
Salaries, benefits and contracting	1,954,206	733,215
	4,270,965	1,669,899
Revenue over(under) expenses before other items	(197,257)	(284,189)
Other items		
- Future marketing	-	(56,466)
- Strategic initiatives expense	(504,132)	(18,609)
- Increase in market value of investments	(9,811)	4,138
	(513,943)	(70,937)
Revenue over(under) expenses for the period	(711,200)	(355,126)

See accompanying notes to the financial statements.

Statement of Cash Flows

Period ended

	December 31, 2015	December 31, 2014
	\$	\$
OPERATING ACTIVITIES		
Revenue under expenses for the period	(711,200)	(355,126)
Items not affecting cash		
Amortization	33,371	18,992
Changes in other non-cash working capital items		
Accounts receivable	(3,860)	682
Prepaid expenses	55,070	(148,398)
Accounts payable and accruals	65,052	(61,452)
Unearned revenue	144,576	56,779
Cash used in operating activities	(416,991)	(488,523)
INVESTING ACTIVITIES		
Increase in long-term investments (net)	(22,580)	(26,752)
Acquisition of capital and intangible assets	(5,704)	(2,268)
Cash used in investing activities	(28,284)	(29,020)
Decrease in cash for the year	(445,275)	(517,543)
Cash, beginning of year	1,111,704	1,117,846
Cash, end of year	666,429	600,303
Cash consists of:		
Cash	216,291	600,303
Short-term investments	450,138	511,401
	666,429	1,111,704

See accompanying notes to the financial statements.

Notes to Financial Statements

December 31, 2015

1. Nature of the Organization

The HRMA Human Resources Management Association (the “Association”) was incorporated pursuant to the British Columbia Society Act in 1954. The Association is a community dedicated to advancing professional people practices that enhance organizational performance. The Association is a not-for-profit organization pursuant to Section 149(1)(L) of the Income Tax Act, and thus is not subject to income tax.

2. Significant Accounting Policies

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (“ASNPO”) and include the following significant accounting policies:

Use of Estimates

The preparation of financial statements in conformity with Canadian ASNPO 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 amounts of revenues and expenses reported during the year. Significant areas requiring the use of management estimates relate to the determination of net recoverable value of assets, in particular as it relates to useful lives of capital and intangible assets, valuation allowances of accounts receivable, and unearned revenue. Actual results could differ from these estimates.

Revenue Recognition

The Association follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenditures are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Membership fees are recognized as revenue over the term of the respective memberships.

Investment income, other than interest income, is recognized as revenue when dividends and other income are received and when an investment is sold.

Interest income is recognized in accordance with the terms of the underlying investment which is generally with the passage of time.

Fees for events and services are recognized as revenue when the events are held or the services are rendered.

2. Significant Accounting Policies (Cont'd)

Measurement of Financial Instruments

The Association initially measures its financial assets and financial liabilities at fair value. The Association subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in net income.

Financial assets measured at amortized cost include cash, short-term investments and accounts receivable.

Long-term investments, which include bond, equity and dividend funds, are measured at fair value.

Financial liabilities measured at amortized cost include accounts payable.

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.

Cash

Cash is defined as cash on hand and cash on deposit, net of cheques issued and outstanding at the year-end.

Accounts Receivable

Accounts receivable are shown net of allowance for doubtful accounts in the amount of \$33,434 (2014 - \$0).

Capital Assets

Capital assets are recorded at cost, less accumulated amortization.

Amortization of capital assets is recorded on a straight-line basis at the following rates:

- Computer equipment 3 years
- Furniture and equipment 5 years
- Leasehold improvements 6 years

Intangible Assets

The Association's computer software is amortized over its estimated useful life of four years on a straight-line basis. The Association's database is amortized over its estimated useful life of seven years on a straight-line basis. The assets are tested for impairment if events or changes in circumstances indicate that the carrying amounts exceed the fair value. The impairment test consists in a comparison of the fair value of the unamortized assets with its carrying amounts. When the carrying amount exceeds the fair value, an impairment loss is recognized in an amount equal to the excess.

Unearned Revenue

Membership renewals occur throughout the year. Revenues from membership fees are recognized throughout the fiscal year over the term of the respective memberships. Fees collected but not yet earned are recorded as unearned revenue. Revenues received from pre-registration for events occurring subsequent to the year end are also recorded as unearned revenue.

Foreign Currency Transactions

The Association uses the temporal method to translate its US foreign currency transactions.

Monetary assets and liabilities are translated at the US exchange rate in effect at the balance sheet date. Other assets and liabilities are translated at the US exchange rate in effect at the transaction date. Revenue and expense items, if any, are recorded in the statement of income at the average rate for the year. Exchange gains and losses are included in the statement of income.

Statement of Cash Flows

The statement of cash flows is prepared on a net basis and cash from operating activities are reported using the indirect method.

Volunteer Services

The Association and members benefit greatly from donated services in the form of volunteer time. Because of the difficulty in determining their fair value, the value of donated services is not recognized in these financial statements.

3. Short-term Investments

Short-term investments consist of two term deposits with interest rates of 1.20% each and maturity dates of January and December 2016, respectively.

4. Accounts Receivable

	December 31, 2015 \$	December 31, 2014 \$
Trade	178,341	137,622
Interest	-	3,425
	178,341	141,047
Allowance for doubtful accounts	(33,434)	-
	144,907	141,047

5. Prepaid Expenses

	December 31, 2015 \$	December 31, 2014 \$
Prepaid conference expenses	146,953	178,270
Prepaid office expenses and other	101,569	125,322
Revenue over(under) expenses before other items	248,522	303,592

6. Long-term Investments

The Association's long-term investments are recorded at their fair value. The cost of investments at December 31, 2015 is \$911,144 [December 31, 2014 - \$878,752].

7. Capital Assets

	Cost \$	Accumulated Amortization \$	Net Book Value \$
December 31, 2015			
Computer equipment	44,420	35,383	9,036
Furniture and equipment	10,677	10,677	-
Leasehold improvements	13,072	11,801	1,271
	68,169	57,861	10,307
December 31, 2014			
Computer equipment	38,716	27,181	11,535
Furniture and equipment	10,677	10,011	666
Leasehold improvements	13,072	9,622	3,450
	62,465	46,814	15,651

8. Intangible Assets

	Cost \$	Accumulated Amortization \$	Net Book Value \$
December 31, 2015			
Computer software	3,090	2,991	99
Database	152,119	72,438	79,681
	155,209	75,429	79,780
December 31, 2014			
Computer software	3,090	2,464	626
Database	152,119	50,641	101,478
	155,209	53,105	102,104

9. Accounts Payable and Accruals

	December 31, 2015 \$	December 31, 2014 \$
Trade and other accruals	226,347	160,685
Government remittances - GST	8,351	8,962
Revenue over(under) expenses before other items	234,698	169,647

10. Internally Restricted Net Assets

	December 31, 2015 \$	December 31, 2014 \$
Future marketing	-	133,534
Future strategic initiatives	-	92,173
Revenue over(under) expenses before other items	-	225,707

11. Unrestricted Net Assets

Unrestricted net assets of \$667,972 [December 31, 2014 - \$1,125,798] is the cumulative excess of revenue over expenses derived from current and past years operations. These funds are available for investment, funding of projects, or to cover shortfalls in operations.

12. Financial Instruments

The Association is exposed to various risks through its financial instruments. The following analysis presents the Association's exposures to significant risk as at December 31, 2015.

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, short-term investments, accounts receivable and long-term investments. The Association assesses, on a continuous basis, accounts receivable on the basis of amounts it is virtually certain to receive. The Association's cash, short-term investments, and long-term investments are invested with large financial institutions and the long-term investments are managed by professional investment managers.

Liquidity Risk

Liquidity risk is the risk of being unable to meet requirement or fund obligations as they become due. It stems from the possibility of a delay in realizing the fair value of financial instruments.

The Association manages its liquidity risk by constantly monitoring forecasted and actual cash flows and financial liability maturities, and by holding assets that can be readily converted into cash.

Interest Rate Risk

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

The Association is exposed to interest rate risk on its short-term investments in so far that the initial rate may be higher than the current interest rate obtained on maturity and renewal as well as its long-term investments.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

The Association is exposed to market risk on its short-term investments and long-term investments.

13. Commitments

Lease of Premises

The Association has entered into a lease agreement expiring on October 31, 2016. The annual basic rent, estimated common area costs and property tax payments, including applicable taxes, is as follows:

	\$
2016	129,455

Computer Services

The Association has entered into a computer service agreement expiring on August 31, 2016. The estimated costs are as follows:

	\$
2016	41,938

14. Change in Year-End

The Association changed its fiscal year end from June 30 to December 31 effective December 31, 2014. As a result, the comparative figures only represent 6 months of operations.

15. Comparative Figures

The comparative figures shown on the financial statements have been prepared by another accounting firm.

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

Appendix

2015 Board of Directors

Chair

Terrence (TJ) Schmaltz, CHRP

Treasurer

Cameron MacKenzie, CHRP

Members

Susan Alley, CHRP

Barb Bahry, CHRP

Shaun Carpenter

Gregory Conner, CHRP

Mike Desjardins

Lisa Fuller, CHRP

Stephanie Hollingshead, CHRP

Gordon Orlikow, CHRP

Shannon Railton, CHRP

Susan Ryan, CHRP

Peter Saulnier, CHRP

Caroline Schein, CHRP

Patti Schom-Moffatt

President & CEO, Ex-Officio

Anthony Ariganello, FCPA, FCGA, FCCA(UK), CPA(DE), ICD.D

Current HRMA Staff

Anthony Ariganello, FCPA, FCGA, FCCA(UK), CPA(DE), ICD.D
President & Chief Executive Officer

Trish Andrea
CHRP Registrar

Kelly Aslanowicz
Senior Manager, Business Development

Alan Bostakian, PhD
Manager, Professional Development

Erin Breden
Communications Specialist

Lee Caldwell
Advertising Sales

Quinne Davey
Project Manager

Richard Deacon
Business Development & Strategic Partnerships

Kara Douglas, MBA
Manager, Marketing & Communications

Erica Franken
Coordinator, Professional Development

Baldev Gill, CHRP, MBA, FCPA, FCGA, FCCA(UK), SHRM-CP
Chief Operating Officer & Chief Financial Officer

Anita Hales
Data & IT Manager, Privacy Officer

Ciara Hamagishi
Member Relations Manager (Lower Mainland)

Rita Koeller, CHRP
Member Relations Manager (Yukon)

Rock Lefebvre, MBA, CFE, FCIS, FCPA, FCGA
Chief Regulatory Officer

Joan McFadden
Board & Executive Administration

Jason McRobbie
PeopleTalk Editor

Susan Pearse
Membership Services (Vancouver Island)

Tim Read, CAE
Member Relations Manager (Interior, North)

Erin Roddie
Conference & Events Manager

Carolyne Taylor
Member Relations Manager (Vancouver Island)

Jaclyn Truchon
Admin & IT Assistant

Claudia Wang, CPA, CGA
Controller

Bora Won
Coordinator, Member Services & Professional
Development

2015 Regional Advisory Councils

Central Interior

Chair

Sandy Austin, CHRP

Members

Kim Annis

Dominic Cote, CHRP

Lisa Fuller, CHRP

Connie Georget, CHRP

Carly Gordon, CHRP

Francyne Joe

Colleen Quigley, CHRP

Saradia Raha

Lori Rilkoff, CHRP

Stacey Schuchardt, CHRP

Andriy Skapenko

Sarah Turtle, CHRP

Coastal Vancouver

Chair

Fiona Ho, CHRP

Members

Tyler Cheyne, CHRP

Kevin Chiu

Kendra Feenstra, CHRP

Jennifer Lo

Courtney McKissock, CHRP

Kathryn Moore, CHRP

Serena Morphy, CHRP

Mari Perugini, CHRP

Fraser Valley

Chairs

Katherine Marlow

Members

Jayne Barron, CHRP

Brenda Cliffe, CHRP

Jasdeep Dhaliwal, CHRP

Amandeep Kochar, CHRP

Karin Montgomery, CHRP

Samantha Saldanha, CHRP

Kristin Zehnder

Greater Vancouver

Chair

Ian Gibson, CHRP

Members

Jabeen Boga, CHRP

Bernadette Chan, CHRP

Sara Colliss, CHRP

Northern

Chair

Sabrina Angus, CHRP

Members

Kara Biles, CHRP

Alex Castley, CHRP

Fraser Deacon, CHRP

Branden Evans

Jason Hamborg, CHRP

Joanne Hanson, CHRP

Anne Harris, CHRP

Judy Mason, CHRP

Kerry Roberts

Stefanie Young, CHRP

Southern Interior

Chair

Paulette Brager, CHRP

Members

Miranda Birkbeck

Kim Desrosier

Violet Frost CHRP

Laurie Glasser, CHRP

Marion Gushue-Geiger, CHRP

David Huck

Joan Kleinsteuber, CHRP

Nick Melemenis, CHRP

Shane Mosley

Lindsay Silvester, CHRP

Jennifer Thatcher, CHRP

Peter Tonkin

Vancouver Island

Chair

Helen Wale

Members

Glenn Barned, CHRP

Meg Burrows, CHRP

Nella Garman, CHRP

Carole Gosse, CHRP

Deborah Lang, CHRP

Rebecca Lumley, CHRP

Pamela MacIntosh-Snell, CHRP

Lyndsey Nelson, CHRP

Deborah Pike, CHRP

Ingrid Vaughan

Yukon

Chair

Les Hudson, CHRP

Members

Brian Bonia

Barrett Horne

Colleen Kormos

Tanya Lanigan

Roxanne Larouche, CHRP

Tracey Maher, CHRP

Ken Todd

Judy Tomlin

Lee Vincent, CHRP

Notes

Notes



**HUMAN RESOURCES
MANAGEMENT ASSOCIATION**

The Voice of the HR Profession

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