



MANITOBA CHAPTER

Financial Statements
Year Ended December 31, 2019

PROJECT MANAGEMENT INSTITUTE MANITOBA CHAPTER INC.

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Year Ended December 31, 2019

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INDEPENDENT AUDITOR'S REPORT

To the Members of Project Management Institute Manitoba Chapter Inc.

Opinion

We have audited the financial statements of Project Management Institute Manitoba Chapter Inc. (the Organization), which comprise the statement of financial position as at December 31, 2019, and the statements of revenues and expenses, changes in net assets and cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at December 31, 2019, and the results of its operations and its cash flow for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization's financial reporting process.

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Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Winnipeg, MB
February 26, 2020

CHARTERED PROFESSIONAL ACCOUNTANTS


PROJECT MANAGEMENT INSTITUTE MANITOBA CHAPTER INC.

Statement of Financial Position

December 31, 2019

	2019	2018
ASSETS		
CURRENT		
Cash	\$ 78,359	\$ 52,242
Short term investments (Note 4)	16,380	16,380
Accounts receivable	24,664	25,173
	\$ 119,403	\$ 93,795
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities (Note 5)	\$ 10,874	\$ 14,536
Deferred revenue (Note 6)	2,500	5,200
	13,374	19,736
NET ASSETS	106,029	74,059
	\$ 119,403	\$ 93,795

ON BEHALF OF THE BOARD



Director



Director

PROJECT MANAGEMENT INSTITUTE MANITOBA CHAPTER INC.

Statement of Revenues and Expenses

Year Ended December 31, 2019

	Budget (Unaudited) 2019	2019	2018
MEMBER SERVICES REVENUES			
Chapter meetings	\$ 14,850	\$ 15,778	\$ 14,018
Fall conference	32,000	51,683	38,302
Networking events	-	1,622	344
Project of the year	6,563	2,205	6,252
Region 2 meeting	-	27,425	-
Spring conference	55,000	57,713	58,209
	108,413	156,426	117,125
OPERATIONS REVENUES			
Membership fees	44,000	45,341	42,353
Sponsorships	21,500	31,200	26,705
Other	2,800	4,963	2,480
	68,300	81,504	71,538
EXPENSES			
Chapter meetings	16,610	15,615	12,330
Fall conference	28,100	28,498	25,784
Finance and operations	35,064	28,875	34,318
Governance	13,420	19,640	20,065
Marketing	4,500	3,429	4,883
Networking events	11,608	5,170	652
Project of the year	22,934	22,712	39,687
Region 2 meeting	1,000	30,766	-
Spring conference	40,300	51,255	52,204
	173,536	205,960	189,923
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$ 3,177	\$ 31,970	\$ (1,260)

PROJECT MANAGEMENT INSTITUTE MANITOBA CHAPTER INC.

Statement of Changes in Net Assets

Year Ended December 31, 2019

	2019	2018
NET ASSETS - BEGINNING OF YEAR	\$ 74,059	\$ 75,319
Excess (deficiency) of revenues over expenses	31,970	(1,260)
NET ASSETS - END OF YEAR	\$ 106,029	\$ 74,059

PROJECT MANAGEMENT INSTITUTE MANITOBA CHAPTER INC.

Statement of Cash Flow
Year Ended December 31, 2019

	2019	2018
OPERATING ACTIVITIES		
Excess (deficiency) of revenues over expenses	\$ 31,970	\$ (1,260)
Changes in non-cash working capital:		
Accounts receivable	509	12,222
Accounts payable and accrued liabilities	(3,662)	(26,534)
Deferred revenue	(2,700)	1,470
	(5,853)	(12,842)
Cash flow from (used by) operating activities	26,117	(14,102)
INVESTING ACTIVITY		
Net purchase of short term investments	-	(84)
Cash flow from (used by) investing activity	-	(84)
INCREASE (DECREASE) IN CASH	26,117	(14,186)
Cash - beginning of year	52,242	66,428
CASH - END OF YEAR	\$ 78,359	\$ 52,242

1. DESCRIPTION OF ORGANIZATION

Project Management Institute Manitoba Chapter Inc. (the "organization") is a corporation without share capital, incorporated under the provision of the Corporations Acts of Manitoba, by Certificate of Incorporation dated January 1, 2001.

The stated purpose of the organization is advancing the effective and appropriate application of the practice and science of project management which shall include the following:

- a) To foster professionalism in the management of projects;
- b) To contribute to the quality and scope of project management;
- c) To stimulate appropriate global application of project management for the benefit of the general public;
- d) To provide a recognized forum for the free exchange of ideas, applications and solutions to project management issues among Chapter members, and others interested and involved in project management;
- e) To identify and promote the fundamentals of project management and advance the Body of Knowledge for managing projects successfully;
- f) To collaborate with universities, other educational institutions, and corporate entities to encourage appropriate education and career development at all levels of project management activities;
- g) To provide a guiding influence in academic and industrial research in the field of project management activities;
- h) To seek and foster international co-operation and contacts with other organizations, both public and private, which relate to project management and to collaborate in matters of common interest and benefit;
- i) To contribute to the identification and development of the project management professional practice, ethics, accreditation standards and principles.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO).

Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Contributed services

The operations of the organization depend on both the contribution of time by volunteers and donated materials from various sources. The fair value of donated materials and services cannot be reasonably determined and are therefore not reflected in these financial statements.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

Revenue recognition

Project Management Institute Manitoba Chapter Inc. follows the deferral method of accounting for contributions.

Registration and training fees, memberships, sponsorship and social events revenue are recognized as revenue in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Revenue from other sources is recognized as it is earned.

3. FINANCIAL INSTRUMENTS

The organization is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the organization's risk exposure and concentration as of December 31, 2019.

(a) Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The organization is exposed to credit risk from members and sponsors. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The organization has a significant number of members and sponsors which minimizes concentration of credit risk.

(b) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The organization is exposed to this risk mainly in respect of its receipt of funds from its customers and other related sources, deferred revenue, and accounts payable and accrued liabilities.

4. SHORT TERM INVESTMENTS

	2019	2018
Guaranteed investment certificate	\$ 14,374	\$ 14,374
Money market funds	2,006	2,006
	\$ 16,380	\$ 16,380

Investments are held with the Canadian Imperial Bank of Commerce. The guaranteed investment certificate has a maturity date of May 20, 2020 and an interest rate of 1.60%.

PROJECT MANAGEMENT INSTITUTE MANITOBA CHAPTER INC.

Notes to Financial Statements

Year Ended December 31, 2019

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Included in accounts payable and accrued liabilities are government remittances of \$1,336 (2018 - \$2,794).

6. DEFERRED REVENUE

Deferred revenue consists of 2020 sponsorship fees received in 2019.