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INSTITUTE OF CERTIFIED MANAGEMENT
CONSULTANTS OF ONTARIO
CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2018

**INSTITUTE OF CERTIFIED MANAGEMENT
CONSULTANTS OF ONTARIO
CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2018**

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INDEPENDENT AUDITORS' REPORT

To the Members of
Institute of Certified Management Consultants of Ontario

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Institute of Certified Management Consultants of Ontario, which comprise the consolidated statement of financial position as at June 30, 2018, and the consolidated statement of operations and changes in net assets and consolidated 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 consolidated 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 consolidated 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 consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the organization's preparation and fair presentation of the consolidated 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 organization'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 consolidated financial statements.

INDEPENDENT AUDITORS' REPORT (Continued)

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, the consolidated financial statements present fairly, in all material respects, the financial position of Institute of Certified Management Consultants of Ontario as at June 30, 2018, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

KRIENS~LAROSE, LLP



Chartered Professional Accountants
Licensed Public Accountants

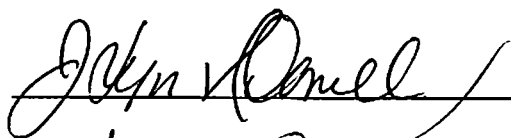

Toronto, Canada
August 21, 2018

INSTITUTE OF CERTIFIED MANAGEMENT
CONSULTANTS OF ONTARIO
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2018

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	2018 \$	2017 \$
ASSETS		
CURRENT		
Cash	72,334	66,746
HST receivable	1,385	2,250
Accounts receivable	-	4,230
Due from Canadian Association of Management Consultants	20,207	22,604
	93,926	95,830
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	8,275	8,718
NET ASSETS		
Unrestricted net assets	85,651	87,112
	93,926	95,830

APPROVED ON BEHALF OF THE COUNCIL:

 , Councillor
 , Councillor

**CONSOLIDATED STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2018**

	2018 \$	2017 \$
REVENUES		
Affiliation agreement	50,298	54,432
Events	7,260	20,483
Strategic change certificate	3,965	-
Partnership	1,317	-
	62,840	74,915
EXPENSES		
Events	19,154	44,856
Governance	15,170	11,390
Professional services	12,150	8,974
Management services	7,531	7,671
Strategic change certificate	6,180	-
Administration	3,283	2,986
Bank charges	624	852
Office and general	209	30
Advertising and promotion	-	633
	64,301	77,392
(DEFICIENCY) OF REVENUES OVER EXPENSES FOR THE YEAR	(1,461)	(2,477)
Net assets, beginning of year	87,112	89,589
Net assets, end of year	85,651	87,112

INSTITUTE OF CERTIFIED MANAGEMENT
CONSULTANTS OF ONTARIO
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2018

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	2018	2017
	\$	\$
CASH WAS PROVIDED BY (USED IN):		
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipts from affiliation agreement	52,695	55,876
Cash receipts from events	11,490	17,483
Cash receipts from partnership	1,317	-
Cash receipts from strategic change certificate	3,965	-
Cash paid to suppliers	(63,879)	(82,934)
Change in cash	5,588	(9,575)
Cash, beginning of year	66,746	76,321
Cash, end of year	72,334	66,746

See accompanying notes to the financial statements

PURPOSE OF THE ORGANIZATION

The Institute of Certified Management Consultants of Ontario (CMC-Ontario) is a Regional Certifying Institute. Through a Teaming Agreement with the Canadian Association of Management Consultants (CMC-Canada), the Institute and Association foster excellence and integrity in the management consulting profession as a whole, and are dedicated to advancing the profession and delivering the benefits of those efforts to the client community. CMC-Canada administers, and the Regional Certifying Institutes confer, the Certified Management Consultant (CMC) designation.

The Institute is incorporated under the laws of Ontario as a not-for-profit organization without share capital and as such, is exempt from the payment of corporate income taxes.

1. BASIS OF PRESENTATION

The consolidated financial statements includes the accounts of the following:

Institute of Certified Management Consultants of Ontario
GTA Member Services Chapter
Southwestern Ontario Member Services Chapter
Eastern Ontario Member Services Chapter

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the CPA Handbook and include the following significant accounting policies:

Financial Instruments

The Institute initially measures its financial assets and financial liabilities at fair value. The Institute subsequently measures all its financial assets and financial liabilities at amortized cost. Changes in fair value are recognized in the statement of operations.

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

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

Continued...

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand and fixed income investments with maturities of less than 90 days.

Revenue Recognition

The Institute follows the deferral method of accounting for contributions. 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.

Affiliation Fees

Affiliation fees are recognized as revenue when received except for those fees pertaining to the following fiscal year, which are recorded as deferred revenue.

Event Revenue

Event contributions are recognized as revenue when the event takes place. Amounts received in advance of the event are recorded as deferred revenue.

Donated Property and Services

During the year, voluntary services were provided. Because these services are not normally purchased by the Institute, and because of the difficulty of determining their fair value, donated services are not recognized in these statements.

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 and disclosure of contingent assets and liabilities at the reporting date and the reported amounts of revenues and expenses for the reporting period. Significant financial statement items that require the use of estimates are useful lives of property and equipment, rates of amortization and accrued liabilities. Actual results could differ from these estimates. These estimates are reviewed periodically and adjustments are made, as appropriate, in the statement of operations in the year they become known.

3. RELATED PARTY TRANSACTIONS

The Institute has an affiliation agreement with CMC-Canada. Under the agreement the Institute appointed CMC-Canada as its exclusive representative during the term of the agreement to provide services to the Institute's members.

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4. FINANCIAL INSTRUMENTS

The Institute is exposed to various risks through its financial instruments. The following presents the Institute's risk exposures and concentrations at June 30, 2018.

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Institute's credit risk would occur with their accounts receivable. Actual exposure to credit losses has been minimal in prior years. The allowance for doubtful accounts is \$0 (2017: \$0).

Liquidity Risk

Liquidity risk is the risk the Institute will encounter difficulty in meeting obligations associated with financial liabilities. The Institute is exposed to this risk mainly in respect of its accounts payable. The Institute expects to meet these obligations as they come due by generating sufficient cash flow from operations. There has been no change in the risk assessment from the prior period.

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. Market risk comprises three types of risks: currency risk, interest rate risk and other price risk.

Currency Risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Institute is not exposed to foreign currency risk.

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 Institute has a low interest rate risk.

Other Price Risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Institute is not exposed to other price risk.