



## Institute of Certified Management Consultants of Alberta (“ICMCA”) 2019 Annual Report to Members



### Board Chair & President Report



*Doug Macnamara, CMC, CHRL*

For the first part of 2019, our Board Chair and President was Noreen Irvine, now Past Chair. I was elected to the Board at the June 22, 2019 AGM, and then elected Chair by my Board colleagues at our June 24<sup>th</sup> organizational meeting.

2019 saw some excellent advancement of our Institute, however in many ways the advancements were somewhat invisible. One of the biggest advancements was the improvement in our Institute’s collaborative working relationship with CMC-Canada. Many of our previous Board members and Committee representatives did the spade work over several years which led to the recruitment of Michael Brennan as Executive Director in 2018, which in-turn led to a revitalization of staffing/structure of the National Office. A significantly improved ‘joint-services bureau’ attitude took hold in 2019, along with the implementation of new CRM/member data base, web systems and start of several other systems revitalizations. Along with this the Joint Services Committee of the 7 Institutes across Canada (BC, AB, SK, MB, ON, QC, Atlantic), successfully negotiated a new services and members-fees-split agreement which took effect in January of 2020.

Thanks to Noreen Irvine’s tenaciousness, we held a wonderful 2019 Annual Awards banquet at the Calgary Fairmont Palliser. Some 25+ new CMC’s were awarded their certificates; 3 Lifetime Achievement Awards/Life Memberships were given to Ron Ewoniak, John Scheil and Donald Hoover. 2 new FCMC recognitions were given to Keleigh Cormier and Sheila Carruthers; and long-service Achievement Awards given to Brian Callow, and Darrell Toma. (We aspire to grow and repeat this event annually, though Covid-19 has caused a wrinkle in this year’s event!)

Within CMC-Alberta we have been updating our own processes and structures to provide added support and services to our members. This included developing new strategic & business plans, budget; revisions to our Bylaws (being presented to members at the AGM); plus Board Annual Calendar and new Governance Policies & Practices Guide which unite our ACT, our POARA Regulations and our Bylaws with interpretations on how to put into action. This may sound somewhat mundane, but it importantly gives us an organized backbone to advance further.

Finally, I hope our members will have seen an increase in transparency and communications, added member events, and of course the hiring of our new part-time, Registrar and Executive Director Leah Iszakovits. This was possible in early 2020 with the new fee-split agreement.

## Registrar & Executive Director Report



*Leah Iszakovits, MA, PMP, RCIC*

As the new Registrar & Executive Director at CMC Alberta, I look forward to utilizing my background in international relations, higher education, and consulting to advance the practice and profile of management consulting in Alberta. In 2019, Coralie Banks and then Rick McDonald both served as ICMCA Registrar. Since joining in February 2020, I have taken great pride in my role as your Registrar & Executive Director by collaborating with internal and external stakeholders such as the Board, Registration Committee, National Office, prospective members, and CMCs.

I have recently been working with the ICMCA Registration Committee and National Office to implement a new member and candidate registration process that ensures compliance with our POARA, the Institute Bylaws and other policies. We have been reviewing and updating requirements, policies, and forms in order to streamline the certification process of new Associate/Prospective Members and Candidates.

Supporting our members has never been more important than right now, and I have been able to provide responsive communication to our members through establishing our new physical office location, phone number, and soon to be working on updating our new website and email. This will help establish a visible presence for CMC Alberta so we can better engage the community and our members. In response to Covid-19 and in order to bring CMCs together we hosted our first ever Virtual Happy Hour (VHH) in April. It was a partnership among guest speakers, the CMC-Alberta community, and National Office. Due to its success we will be hosting the VHH event monthly, enabling us to support one another especially during this time of uncertainty.

Having the support from the National Office & CMC-Alberta teams has been vital for my transition in the new role. Collaboratively, we have been working towards making changes, improving processes, and engaging with our new and current members.

I have had a productive few months and am looking forward to the coming year for all of us at the Institute. I am proud of the work that our team of Committee and Board members have accomplished.

### Some 2019 Statistics of our Professional Institute

From December 31, 2018 to December 31, 2019 we saw total Membership go from 418 to 389

CMC's: 245 to 216

FCMC's: 17 to 18

Associates/Candidates: 60 to 59

Students: 15 to 12

Life members: 68 to 65

Non-Practicing (2019 only) 18

In 2020 we are already trending up, with approximately 408 members to date.

**New CMC's in 2019**

	<b>CMC Earned</b>
Boot, Alexander	May 10, 2019
Byam, Jesse	May 10, 2019
Eldahshan, Noha	July 11, 2019
Forner, Catherine	May 1, 2019
Gillies, Dena	January 3, 2019
Gupta, Prashant	April 23, 2019
Ho, Wilson	January 15, 2019
Howard, Kindra	July 4, 2019
Lane, Grace	January 28, 2019
Likes, Garth	August 19, 2019
Marshall, Holly	April 9, 2019
McCormack, Ian	December 23, 2019
Muddle, David	May 10, 2019
Peterson, Jeffrey	March 15, 2019
Taylor, (M) Paul	March 5, 2019

**Treasurer Report**



*Grace Lane, CMC*

When I look at Financial Statements, I like to start with the Income Statement or for us, the Statement of Operations and Surplus. In 2019, we had an overall surplus of over \$20,000. This is made up by predominantly four changes:

- Increased membership dues (+\$11K)
- Removal of paid registration services provider (-\$10K)
- Decreased promotions (-\$10K)
- Timing of Wood Buffalo Consulting (+\$9K; but this disappears in Q1 of 2020)

We are in a good financial position with a strong cash balance. Ninety thousand dollars cash on-hand means the board has the money to do some of the things they have been planning. The board has a 2020 budget that will be using the cash on-hand for learning and networking opportunities, for building relationships with the universities, as well as growing our membership.

**2019 Accountant-Reviewed Financial Statements:**

See next pages



## INDEPENDENT PRACTITIONERS' REVIEW ENGAGEMENT REPORT

To the Members of

### INSTITUTE OF CERTIFIED MANAGEMENT CONSULTANTS OF ALBERTA

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We have reviewed the accompanying financial statements of **Institute of Certified Management Consultants of Alberta** that comprise the statement of financial position as at December 31, 2019 and the statements of operations and surplus 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.

*Practitioners' Responsibility*

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioners perform procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluate the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

*Conclusion*

Based on our review, nothing has come to our attention that causes us to believe that these financial statements do not present fairly, in all material respects, the financial position of **Institute of Certified Management Consultants of Alberta** as at December 31, 2019, 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.

Edmonton, Alberta  
April 7, 2020

*SVS Group LLP*

CHARTERED PROFESSIONAL ACCOUNTANTS

**INSTITUTE OF CERTIFIED MANAGEMENT CONSULTANTS OF ALBERTA**

**STATEMENT OF FINANCIAL POSITION  
(Unaudited)**

**AS AT DECEMBER 31, 2019**

	2019	2018
	(Restated - Note 5)	
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 90,449	\$ 70,178
Short-term investments (Note 3)	32,406	32,073
Accounts receivable	6,603	1,381
	<u>\$ 129,458</u>	<u>\$ 103,632</u>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	\$ 4,516	\$ 2,501
Goods and Services Tax payable	1,224	21
	<u>5,740</u>	<u>2,522</u>
<b>MEMBERS' SURPLUS</b>		
<b>SURPLUS</b>	<u>123,718</u>	<u>101,110</u>
	<u>\$ 129,458</u>	<u>\$ 103,632</u>

APPROVED ON BEHALF OF THE BOARD:

  
 \_\_\_\_\_ Director

  
 \_\_\_\_\_ Director

**INSTITUTE OF CERTIFIED MANAGEMENT CONSULTANTS OF ALBERTA**
**STATEMENT OF OPERATIONS AND SURPLUS  
(Unaudited)**
**FOR THE YEAR ENDED DECEMBER 31, 2019**

	2019	%	2018	%
				(Restated - Note 5)
<b>REVENUE</b>				
Membership fees and CAMC income (Note 4)	\$ 36,780	37.5	\$ 25,243	89.5
Event income	12,109	12.3	2,965	10.5
Wood Buffalo consulting income	49,200	50.2	-	-
	<b>98,089</b>	<b>100.0</b>	<b>28,208</b>	<b>100.0</b>
<b>EXPENSES</b>				
Bank charges and interest	113	0.1	168	0.6
Board expenditures	1,286	1.3	4,658	16.5
Consulting	40,810	41.6	-	-
Event expenses	14,795	15.1	5,788	20.5
Office and registration services	15,109	15.4	25,511	90.4
Professional fees	4,161	4.2	3,295	11.7
Promotion and member services	273	0.3	12,376	43.9
	<b>76,547</b>	<b>78.0</b>	<b>51,796</b>	<b>183.6</b>
<b>DEFICIENCY OF REVENUE OVER EXPENSES FROM OPERATIONS</b>	<b>21,542</b>	<b>22.0</b>	<b>(23,588)</b>	<b>(83.6)</b>
<b>INTEREST INCOME</b>	<b>1,066</b>	<b>1.1</b>	<b>877</b>	<b>3.1</b>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES FOR THE YEAR</b>	<b>22,608</b>	<b>23.1</b>	<b>(22,711)</b>	<b>(80.5)</b>
<b>SURPLUS</b> , beginning of year	<b>101,110</b>		<b>123,821</b>	
<b>SURPLUS</b> , end of year	<b>\$ 123,718</b>		<b>\$ 101,110</b>	

Cash Flow Statement Removed for brevity.

## INSTITUTE OF CERTIFIED MANAGEMENT CONSULTANTS OF ALBERTA

### NOTES TO FINANCIAL STATEMENTS (Unaudited)

FOR THE YEAR ENDED DECEMBER 31, 2019

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#### 1. PURPOSE OF THE INSTITUTE

The Institute governs the certification, registration and discipline of Certified Management Consultants and other members within the Province of Alberta under the Professional and Occupational Associations Registration Act and Regulations.

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#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following accounting policies:

(a) Use of Estimates

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, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the current period. These estimates are reviewed periodically and adjustments are made to income as appropriate in the year they become known. Estimated life of property and equipment, if applicable, is the most significant item that would involve the use of estimates.

(b) Financial Instruments

*Measurement of financial instruments*

The Institute initially measures its financial assets and liabilities at fair value, except for certain non-arm's length transactions.

The Institute subsequently measures all of its financial assets and financial liabilities at amortized cost, except 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.

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

The Institute's financial assets, if any, measured at fair value include investments that are quoted shares.

*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.

**INSTITUTE OF CERTIFIED MANAGEMENT CONSULTANTS OF ALBERTA**

**NOTES TO FINANCIAL STATEMENTS**  
(Unaudited)

**FOR THE YEAR ENDED DECEMBER 31, 2019**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

(c) Income Taxes

The Institute of Certified Management Consultants of Alberta is a not-for-profit organization and accordingly, no provision for corporate income taxes has been provided in these financial statements pursuant to paragraph 149(1)(l) of the *Income Tax Act, Canada*.

(d) Capital Assets

The Institute has met the criterion of paragraph 4431.03 of Part III of the CPA Canada Handbook, and as such, capital assets are expensed in the year of purchase. There were no capital assets expensed in the current period.

(e) Donated Services

The Institute benefits greatly from the donated services of its many dedicated volunteers. The value of these volunteer efforts is not recognized in the financial statements due to the difficulty in determining fair value.

(f) Revenue Recognition

The Institute follows the deferral method of revenue recognition. Annual membership revenue is recognized in the period to which it relates. Program revenues are recognized when the related services are completed.

(g) Cash and Cash Equivalents

The Institute's policy is to disclose bank balances under cash and cash equivalents, and term deposits with a maturity period within thirty days from the year end. Term deposits that the Institute cannot use for current transactions because they are pledged as security, restricted or mature beyond one year are excluded from cash and cash equivalents.

**3. SHORT-TERM INVESTMENTS**

	2019	2018
Guaranteed Investment Certificates maturing July 2020 at 1.1%	\$ 32,406	\$ 32,073

**4. MEMBERSHIP REVENUE**

CMC Canada collects revenue on behalf of the Institute. The gross amount collected by CMC Canada was \$154,901. \$118,121 was retained by CMC Canada for net membership revenue of \$36,780.





**INSTITUTE OF CERTIFIED MANAGEMENT CONSULTANTS OF ALBERTA**

**NOTES TO FINANCIAL STATEMENTS  
(Unaudited)**

**FOR THE YEAR ENDED DECEMBER 31, 2019**

**5. CORRECTION OF PRIOR PERIOD ERROR**

During 2019, it was discovered that the accounts receivable, prepaid expenses, and deferred revenue in the December 31, 2018 financial statements were overstated. These relate to amounts from CMC Canada. The effect of these errors is presented below:

	<u>Previously Reported</u>	<u>Adjustment</u>	<u>Restated</u>
Accounts receivable	\$ 21,911	\$ (20,530)	\$ 1,381
Prepaid expenses	\$ 80,522	\$ (80,522)	\$ -
Deferred revenue	\$ 101,052	\$ (101,052)	\$ -