



HRIA | Human
Resources
Institute of
Alberta

Ready for the road ahead

2015 Annual Report

MESSAGE FROM THE CHAIR



HRIA's board is comprised of 12 dedicated volunteers elected to govern on behalf of the membership, keeping your values and your long-term best interest at the forefront of our work. To do so, Carver's Policy Governance system was first adopted by HRIA in 2013. This year, with well-established policies and clearly-articulated accountabilities for both the Board and the CEO, the Board turned our attention to assessing the monitoring reports of the CEO; deepening our understanding of the Carver model; and keeping a future-orientation top of mind.

As part of our accountability to our members, the Board sought out your input in a variety of forums to ensure we have captured Ends that are possible, relevant and important for HRIA to achieve in the long-term. From informal dialogue, annual survey results and formal round table discussions, member feedback indicated that the advancement of the profession and professional standards continue to be of importance. The Board is committed to keeping that future-focus, on behalf of HRIA's members.

Self-regulation is a critical milestone for our profession. By achieving self-regulation, we become the regulatory body that oversees standards of practice for HR professionals; we ensure the protection of the public; and we hold HR professionals accountable for both their conduct and their practice. Self-regulation is a

multi-year objective, and while not achieved in 2015, it is still a top priority for HRIA. HRIA remains steadfast in our pursuit of self-regulation to elevate the credibility of the HR profession in the eyes of our public, employers and the government. This year HRIA promoted the HR profession and conveyed the importance of self-regulation, meeting with over 20 government officials over the last year, including Alberta's Premier, and Ministers, Deputy Ministers, MLAs and senior staffers.

On the national front, HRIA continues to work in collaboration with the Canadian Council of Human Resources Associations (CCHRA) to advance our profession nationally, to ensure consistent standards, to strengthen recognition of our professional designation, and to build strong relationships on the international front.

On behalf of the Board of Directors, thank you for your continued support of HRIA and your commitment to the HR profession.

Sincerely,

Dr. Cheryl Oishi, CHRP
Chair, HRIA

MESSAGE FROM THE INTERIM CEO



In 2015 we focused on the theme of transition to get us ready for the road ahead. We concentrated on improving value by offering quality professional development and networking opportunities, establishing strategic partnerships with business and post-secondary institutions, conducting research and continuing our pursuit to self-regulation. We also contributed to the work being done by CCHRA and the other member associations to achieve greater success for the CHRP designation across Canada.

In March 2015, we picked our 2016 Conference Theme of "Navigating Booms and Busts", never knowing the extent of the "bust" that would hit the Alberta economy. As we rode the downturn like many of you, we had to make some responsible adjustments to deal with the economic changes that 2015 brought to our province. To ensure HRIA delivered on our promise to increase member value and deliver premium products and services, we drew on our reserves to fund our deficit and followed through on our commitment to invest in infrastructure, including redesigning our website and member portal.

We also made every effort to decrease costs by renegotiating contracts for events. We continued to deliver, providing over 80 professional development and networking opportunities with over 2000 attendees during 2015. HRIA's membership numbers remained stable, with strong growth in the fourth quarter of 2015, adding almost 200 new members. Student membership increased by over 30% due to new initiatives aimed at improving relationships with post-secondary institutions.

We also revamped our mentorship program by taking a hands-on approach with matching mentors and

protégés and had more than 200 participants take advantage of the program.

The two Alberta HR Trends Reports garnered increased media exposure including coverage in Maclean's magazine, Financial Post, Globe and Mail, Calgary Herald, and HR Reporter; serving to inform our stakeholders and the general public on emerging trends and issues in HR. Late in the fall of 2015, we partnered with other provincial HR Associations in Western Canada in order to survey on what is happening in the Western Canada's labour market and workplaces.

HRIA remains steadfast in our pursuit of self-regulation, with the goal of elevating the credibility of the HR profession in Alberta. HRIA promoted the HR profession and conveyed the importance of self-regulation through meetings with over 20 government officials including the Alberta Premier, Ministers, Deputy Ministers, and MLAs.

We will continue to invest responsibly in our future and drive organizational excellence to strengthen HR's role as a value-added strategic business partner critical to organizational success. With an outstanding team of dedicated Board members, staff, and volunteers committed to ensuring our continued success, we are working together to ensure we are ready for the road ahead.

Thank you,

Janice MacPherson, CHRP
Interim CEO, HRIA

ABOUT US

Building up from a strong foundation

Who we are

The Human Resources Institute of Alberta (HRIA) is a not-for-profit professional association dedicated to strengthening and promoting the profession of human resources.

As Alberta's exclusive granting body for the Certified Human Resources Professional (CHRP) designation, HRIA is the leading professional association for human resources practitioners in Alberta. We play a critical role in establishing professional standards within our industry.

Our responsibility

HRIA exists to advance the human resources profession, benefit our members, and protect the public in a manner that demonstrates responsible and efficient use of association resources.

Our values

Accountability

We meet our commitments and take responsibility for all actions and outcomes.

Growth

We embrace innovative solutions that enhance services and advance our professional knowledge.

Integrity

Honesty, openness and trustworthiness are the hallmarks of our profession. We conduct our business according to the highest ethical principles and professional standards.

Leadership

We lead by example and demonstrate commitment to our stakeholders and to the profession by achieving our vision and mission.

Excellence

We develop, promote and embrace the highest professional standards to drive continuous improvement within the human resources profession.

Our membership

HRIA is the third largest HR association in Canada and connects over 6,000 members, including over 3,000 CHRPs across the province through various chapter events. HRIA supports members across Alberta with chapters in six cities – Calgary, Edmonton, Fort McMurray, Grande Prairie, Lethbridge and Red Deer.

Our journey

HRIA's roots date back to the creation of personnel associations in Calgary and Edmonton in the 1940s. In 1984, those two associations joined the Lethbridge and Red Deer associations to establish HRIA as a provincial association in 1984. The first associations joined forces to create educational and professional development opportunities for human resources practitioners in Alberta. Today, HRIA has over 6,000 members across the province.

1984
ELDON EMERSON LEADS A JOINT COMMITTEE TO ESTABLISH HRIA

1990
THE FIRST CERTIFIED HUMAN RESOURCES PROFESSIONAL (CHRP) DESIGNATION IS GRANTED TO ELDON EMERSON

1992
HRIA IS A FOUNDING MEMBER OF THE CANADIAN COUNCIL OF HUMAN RESOURCES ASSOCIATIONS (CCHRA)

2004
CODE OF ETHICS IS DRAFTED BY CCHRA AND ADOPTED BY HRIA

2005
HRIA OPENS A NEW HEAD OFFICE IN CALGARY

2006
HRIA HOSTS THE FIRST ANNUAL HR CONFERENCE AT THE CALGARY TELUS CONVENTION CENTRE

2013
THE HR PROFESSION IS UNITED UNDER HRIA

2014
APPLICATION FOR SELF-REGULATION IS SUBMITTED TO THE ALBERTA GOVERNMENT

2015
UPGRADED TECHNOLOGY INCLUDING CRM & WEBSITE

INVESTING IN THE FUTURE



34%

INCREASE IN STUDENT MEMBERSHIP

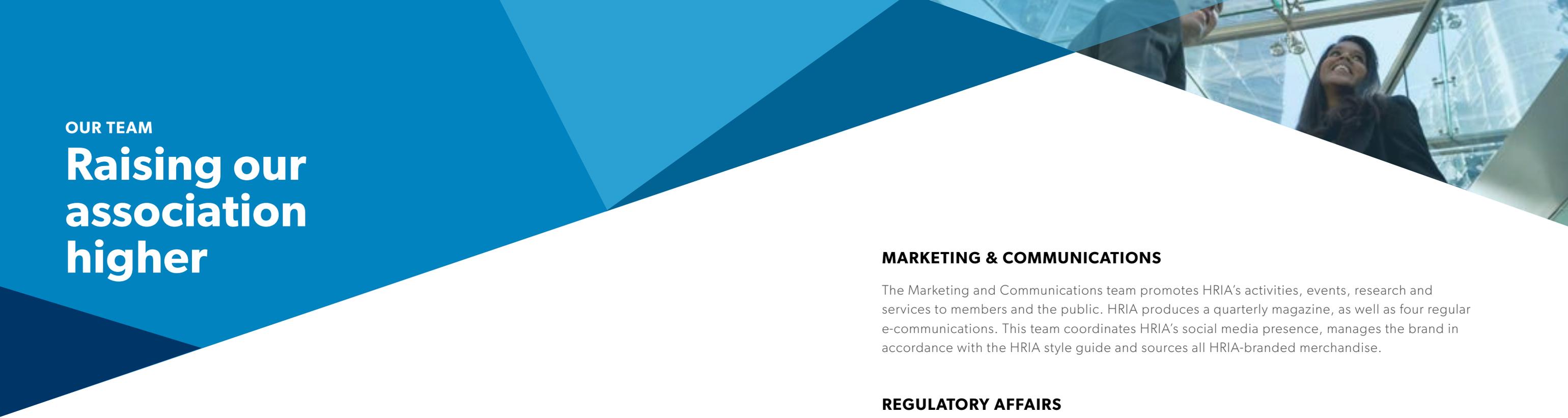


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HRIA STUDENT MEMBERS IN ALBERTA AT YEAR-END

	2014	2015	
MEMBERSHIP	6,054	6006	↓
CHRP's	3,109	3,076	↓
GROWTH	2.5%	1%	↓
MEMBER SATISFACTION	63%	64%	↑

Numbers as of December 31, 2015.



OUR TEAM

Raising our association higher

MEMBER SERVICES

The Member Services team is responsible for enhancing the value of HRIA membership to retain current members and attract new ones. Member Services includes the mentorship program, annual conference, chapter activities, volunteer opportunities and annual awards program. Post-secondary activities are a large part of the Member Services portfolio, including scholarships, student conferences, classroom presentations and the annual HRC West Case Competition.

PROFESSIONAL DEVELOPMENT

The Professional Development team focuses on providing professional development opportunities to members at all stages of their careers. This team structures, plans and evaluates all of the professional development activities for HRIA members, and researches leading-edge best practices.

BUSINESS DEVELOPMENT

The ultimate goal of the Business Development team is to source, build and grow partnerships that support and advance HRIA. Business Development pursues sponsorships, and sources revenue-generating advertising for HRIA's various publications and websites. This team is concerned with enhancing the HRIA brand, and increasing non-dues revenue and membership numbers.

MARKETING & COMMUNICATIONS

The Marketing and Communications team promotes HRIA's activities, events, research and services to members and the public. HRIA produces a quarterly magazine, as well as four regular e-communications. This team coordinates HRIA's social media presence, manages the brand in accordance with the HRIA style guide and sources all HRIA-branded merchandise.

REGULATORY AFFAIRS

The Regulatory Affairs team manages the registration and certification process of new members, and updates current members' profiles in professional development logs. This team also ensures regulatory compliance by overseeing professional complaints and appeals through the enforcement of the Code of Ethics and Standards of Professional Conduct. The team's primary objective is obtaining approval from the Alberta government for self-regulation, with HRIA as the delegated regulator.

RESEARCH

HRIA provides members with practical and industry-leading research and tools for their day-to-day activities as HR professionals. HRIA conducts research through various qualitative and quantitative methods such as member surveys and focus groups to identify current and emerging human resources trends and issues.

FINANCE & ADMINISTRATION

The Finance and Administration team is responsible for the financial operations of HRIA. Finance and Administration ensures that statutory requirements consistent with established and generally accepted accounting and auditing procedures are met. This team also creates and monitors not only HRIA's overall budget, but all functional and project budgets as well. Another focus is updating and reviewing the association's operational policies, and ensuring HRIA's policies follow best practices for the not-for-profit sector.

OPERATIONAL REVIEW

Achieving next-level performance

CERTIFICATION/REGISTRATION

In 2015 HRIA established a separate Regulatory Affairs Department, including the appointment of a Registrar independent of the CEO to oversee the certification of Members. This change aligned HRIA’s organizational structure with the goal of obtaining self-regulation through the Professional and Occupational Associations Registration Act (POARA). To provide improved clarity and transparency of certification policies and procedures for Members and the public, a Registration Manual was developed and published. HRIA also transitioned the Continuing Professional Development Log (CPD) and the recertification process to an online model available through the upgraded HRIA Member Portal.

The Registration Committee was restructured and granted additional powers to review decisions of the Registrar related to continuing professional development, certification and membership with the association. Matters related to member conduct are heard by the Discipline Committee.

PROTECTING THE PUBLIC

As HRIA continues to pursue self-regulation, our primary focus remains on protecting the public from unskilled and unethical practice of human resources in Alberta. The consistent and transparent enforcement of the Code of Ethics and Standards of Professional Conduct is key to ensuring that CHRPs provide the highest standard of service and human resources advice to employers and clients, including rigorous enforcement of the Continuing Professional Development requirements for recertification. In 2015, HRIA revoked the CHRP designation from 147 Certified Members as part of this consistent enforcement.

2015	2014
Revocations of CHRP for failing to remain a member in good standing 106	New complaints received 2
Revocations of CHRP for failing to recertify 39	Complaints dismissed 1
Revocations or voluntary resignations of CHRP for failing to pass CPD log audit 2	Resolved by mediation 0
Revocations of CHRP as a result of a finding of unprofessional conduct 0	Voluntary cancellation of membership 0
	Finding of unprofessional conduct 0
	Unresolved and ongoing 1

APPEALS

In mid-2015 The Appeals Committee’s mandate was restructured to no longer consider appeals of decisions of the Registrar, instead, those appeals are considered by the Registration Committee. The Appeals Committee considers appeals of decisions of the Discipline Committee and appeals of administrative disputes with HRIA. The committee is independent of HRIA’s board and of the Discipline Committee.



10 appeals
6 appeals dismissed
4 appeals successful

RESEARCH

In 2015, HRIA continued to publish the HR Trends Report on a semi-annual basis as a benefit for members and to help meet HRIA’s goal to ensure that stakeholders have credible information on emerging human resources trends and issues.

SCHOLARSHIPS AND STUDENT ACTIVITIES



HRIA invested \$33,600 in scholarships and student activities at the following schools:

- University of Alberta
- University of Calgary
- University of Lethbridge
- Mount Royal University
- Bow Valley College
- SAIT
- NAIT
- Athabasca University
- Keyano College

HRIA CHALLENGE 2015

Three University of Alberta students won the second annual HRC West competition, held March 6 & 7, 2015 at Mount Royal University. Six teams from B.C. and Alberta competed in the contest.

SELF-REGULATION

In 2015, HRIA made significant progress towards achieving self-regulation. In December 2014, HRIA submitted the application to become a self-regulated profession to the provincial government. Throughout 2015, the Alberta Government reviewed HRIA’s application, and during this time HRIA provided all additional information that was requested. With the election of a new government in Alberta, progress has been delayed. Throughout the latter half of 2015, HRIA successfully sought meetings with newly elected MLAs to introduce them to HRIA and educate them about the HR Profession and our bid for self-regulation. HRIA met with over 20 Alberta Government officials, including then Minister of Jobs, Skills, Training and Labour, and Advanced Education, the Honourable Lori Sigurdson.

EVENTS

HRIA CONFERENCE 2015
SHARE. LEARN. BE INSPIRED.

- Attendees:** 579
- Exhibitors:** 80
- Keynote speakers:** Adam Grant, Erik Wahl, Misha Globerman

CONGRATULATIONS TO THE CELEBRATING EXCELLENCE AWARD WINNERS

- Award of Excellence** Individual – Milly Mocodean, CHRP
- Award of Excellence** Team – Saipem Canada - HR Team
- Community Champion** Loradonna Botter, CHRP
- Distinguished Career** Nancy Goin, CHRP
- Leader of the Year** Alessandro Bruscia
- Rising Star** Naomi Brown
- Strategic Innovator** Margot Ross-Graham, CHRP
- FCHRP** Gary Agnew, FCHRP

LOOKING AHEAD

Risks and challenges

HRIA monitors our risks and manages them by ensuring mitigation plans are in place and ready to execute in the event that those risks identified begin to adversely impact HRIA and our ability to execute strategy and achieve Ends. HRIA's three major challenges are the economy, member value and self-regulation.

Economy – HRIA had to draw on reserves to maintain current operations as HRIA has relied too much on volatile revenues from Job Source and sponsorships to sustain operations.

Member Value – HRIA continues to work hard on providing member value despite the decreasing revenue and staff resources.

Self-Regulation – Progress on self-regulation has been delayed due to political changes.

Over the next three years, HRIA will focus on five strategic initiatives that are linked to our goals:

- 1 Advance the human resources profession through the pursuit of self-regulation and administration of the Code of Ethics and Standards of Professional Conduct.
- 2 Deliver more valued-added products and services, such as research, professional development and networking opportunities.
- 3 Establish new partnerships with business, post-secondary institutions, and professional associations through short- and long-term reciprocal agreements.
- 4 Grow our membership through the promotion of exclusive member benefits, and advocacy of the human resources profession and CHRP designation.
- 5 Drive organizational excellence by managing HRIA's resources and operations responsibly, efficiently and effectively.

Long-term goals

HRIA exists to advance the human resources profession, benefit our members and protect the public in a responsible and efficient manner.

CHRP standards

CHRP provide the highest standard of service and human resources advice to clients and customers.

CHRP designation is valued

The CHRP designation is valued and sought after.

HR information for stakeholders

Stakeholders have credible information on emerging human resources trends and issues.

Professional development

Association members have access to leading-edge professional development and learning opportunities.

Public environment

A public environment that embraces progressive human resources practices.

The profession is recognized

Human resources is a self-regulated profession that is legislated to act in the public interest.

Sustainability of the profession

The CHRP is sustainable.

FINANCIALS

Operating efficiently and reducing expenses

FISCAL RESPONSIBILITY

HRIA was negatively impacted by the economic recession in Alberta. By year end, HRIA had a deficit of (\$396,592); \$100,000 less than the planned and budgeted deficit of (\$500,000) for 2015. There was a significant decrease in revenue of almost \$760,000 from the original budget and over \$630,000 compared to 2014. There was a drop in revenue of over \$415,000 from two main sources: Job Source (\$241,666) and Conference (\$176,488). The drastic drop in oil led to significant workforce reductions in the oil and gas sector and widespread cuts to professional development funding. This resulted in fewer HR job vacancies and postings and fewer conference registrations.

Despite the drop in revenue, HRIA planned for a deficit budget to maintain operations and managed to mitigate losses by operating more efficiently and reduced expenses by almost \$480,000 from the original budget. HRIA maintained planned investment for the following project expenses in 2015:

- Microsoft Dynamics CRM upgrade cost of \$240,000; amortized over three years
- New HRIA website cost of \$35,000 and new conference website cost of \$14,000
- HRIA marketing projects for new branding and social media
- Organizational restructuring to align with a self-regulated model

HRIA had \$1.29 million in investments at the end of 2015.

2015 STATEMENT OF OPERATIONS SUMMARY

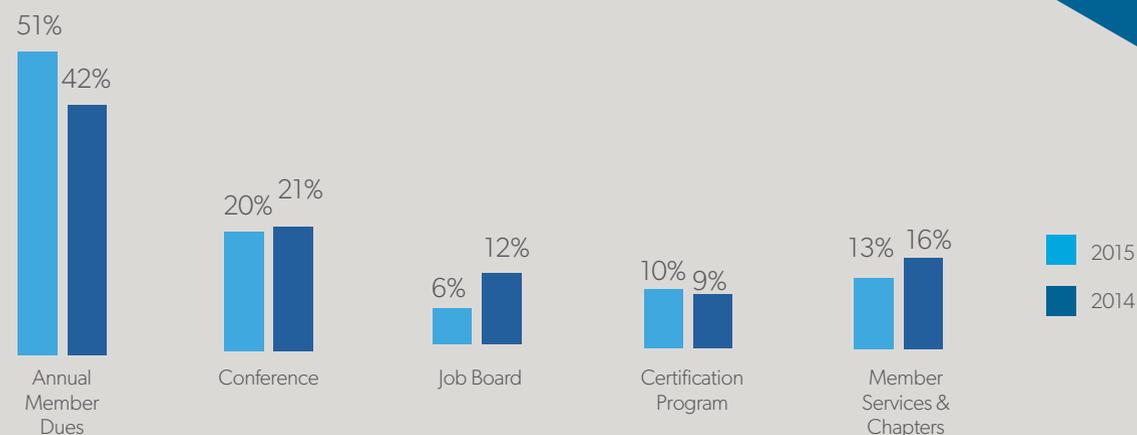
Revenue	\$3,035,771
Expenditures	\$3,432,363
(Deficiency) Excess of revenue over expenditures	\$(396,592)

2015 STATEMENT OF FINANCIAL POSITION SUMMARY

Assets	\$1,937,805
Liabilities	\$242,376
Net Assets	\$1,695,429

Revenue and expenses

REVENUE MIX - YEAR OVER YEAR



REVENUE

HRIA has a stable revenue mix from five major sources: annual member dues, job board revenue, conference revenues, examinations, and professional development and events. Annual membership dues accounted for approximately 51% of the total revenue.

EXPENSES

Administration represented 54% of HRIA's total expenses in 2015. Under administration expenses, 10% was allocated to rent expenses and 10% to professional fees, office administration fees and bank fees. Salaries and benefits represent less than 43% of total expense.

OUR PEOPLE

Leveraging in-house talent and expertise

EXECUTIVE

Janice MacPherson, CHRP
Interim CEO

FINANCE & ADMINISTRATION

Ioana Giurca
Director, Finance and Administration

Pei Zhang
Accounts Receivable and Office Administrator

Gomathi Venkataswamy
Accounts Payable and Payroll Administrator

COMMUNICATIONS

Kari Whipple
Manager, Communications

MEMBER SERVICES

Jenny Chapman
Manager, Member Services

Danielle Mlynek
Chapter Relations Coordinator

Tina Viern
Member Services Assistant

MARKETING & BUSINESS DEVELOPMENT

Geoffrey Person
Manager, Marketing & Business Development

Hayley Kiernan
Marketing Coordinator

REGULATORY AFFAIRS AND RESEARCH

Daniel Boucher
Director, Regulatory Affairs & Research, Registrar

Suzie Qualle, CHRP
Manager, Professional Standards

Alicia Djan-Daper
Certification Coordinator

HRIA board members



Dr. Cheryl Oishi, CHRP
Chair



Leslie Henkel, CHRP
Past Chair



Todd Bassett, CHRP
Vice Chair



Marcie Kiziak, CHRP
Director



Adam Czarnecki, CHRP
Director



Lynette M. Grose, CHRP
Director



Angela Merriott, CHRP
Director



Jenn Lofgren, CHRP
Director



Neil Riley, CHRP
Director



Chris Sopal, CHRP
Director



Bob Wiebe, CHRP
Director



Candace Bernstein, CHRP
Director

Board committees

Financial Audit Committee

The Financial Audit Committee adheres to a transparent process of review and disclosure that enhances stakeholder confidence in the organization's financial reporting.

Governance Committee

The Governance Committee monitors and reports on the Board's performance to ensure that the organization's obligations as outlined in the bylaws are fulfilled.

Linkage to Members

The Linkage to Members Committee enhances the Board's efficiency and effectiveness in communicating with stakeholders, including educating members about what to expect from the Board.

Executive Total Rewards Committee

The Executive Total Rewards Committee determines the CEO's total rewards package and reviews the HRIA Total Rewards Philosophy periodically.

Financial statements

December 31, 2015



Independent Auditor's Report

To the Members of
Human Resources Institute of Alberta

We have audited the accompanying financial statements of the Human Resources Institute of Alberta, 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, the financial statements present fairly, in all material respects, the financial position of Human Resources Institute of Alberta as at December 31, 2015, 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.

Calgary, Canada
April 9, 2016

Grant Thornton LLP
Chartered Accountants

Human Resources Institute of Alberta
Statement of Financial Position
December 31, 2015

December 31, 2015 December 31, 2014

ASSETS**CURRENT**

Cash	\$ 153,399	\$ 197,322
Term deposits (Note 4)	11,150	6,102
Accounts receivable	20,726	36,892
Prepaid expenses	213,563	246,651
	\$ 398,838	\$ 486,967

NON-CURRENT

Restricted cash and term deposits (Note 4 and 5)	1,277,566	1,898,643
Property and equipment (Note 6)	261,401	46,611
	\$ 1,937,805	\$ 2,432,221

LIABILITIES**CURRENT**

Accounts payable and accrued liabilities	\$ 99,572	\$ 145,760
Customer deposits	126,204	184,415
Deferred revenue	16,600	10,025
	\$ 242,376	\$ 340,200

NET ASSETS

Investment in capital assets	261,401	46,611
Internally restricted (Note 5)	1,277,566	1,898,643
Unrestricted	156,462	146,767
	1,695,429	2,092,021
	\$ 1,937,805	\$ 2,432,221

Lease Commitment (Note 7)

Cheryl Oishi
Dr. Cheryl Oishi
Chair

Chris McNelly
Chris McNelly,
Chief Executive Officer

Human Resources Institute of Alberta
Statement of Operations
For the year ended December 31, 2015

	2015	2014
REVENUES		
Member dues	\$ 1,550,276	\$ 1,556,084
Annual conference	607,367	783,855
Certification	219,775	250,025
Job source	194,934	436,600
Chapters	120,282	174,571
Member services	96,260	87,090
Professional development	82,213	144,616
Communications and partnerships	73,079	127,336
Member registration	70,357	76,545
Interest and other income	21,228	32,992
	3,035,771	3,669,714
EXPENDITURES		
Administration		
Salaries and benefits	1,479,753	1,251,501
Rent	183,979	202,066
Office administration	96,365	146,731
Bank charges	63,728	83,678
Legal and auditing fees	23,852	23,836
Amortization	18,624	21,247
Insurance	1,735	2,080
	1,868,036	1,731,139
Annual conference	536,939	568,762
Certification	236,710	233,464
Chapters	171,588	249,034
Information technology	145,725	103,349
Member services	131,753	153,126
Communications	89,324	166,419
Board expenses	85,971	104,287
Business development	74,873	100,500
Professional development	62,049	111,717
Self-regulation	20,485	43,826
Research	8,910	11,325
	3,432,363	3,576,948
(DEFICIENCY) EXCESS OF REVENUE OVER EXPENDITURES	\$ (396,592)	\$ 92,766

Human Resources Institute of Alberta
Statement of Changes in Net Assets
For the year ended December 31, 2015

	Invested in Capital Assets	Unrestricted	Internally Restricted	Total 2015	Total 2014
Balance, beginning of year	\$ 46,611	\$ 146,767	\$ 1,898,643	\$ 2,092,021	\$ 1,999,255
(Deficiency) Excess of revenue over expenditures	-	(396,592)	-	(396,592)	92,766
Internally imposed restrictions (Note 5)					
Operating reserve	-	121,077	(121,077)	-	-
Special program reserves	-	500,000	(500,000)	-	-
Investment in capital assets	214,790	(214,790)	-	-	-
Balance, end of year	\$ 261,401	\$ 156,462	\$ 1,277,566	\$ 1,695,429	\$ 2,092,021

See accompanying notes to the financial statements.

Human Resources Institute of Alberta
Statement of Cash Flows
For the year ended December 31, 2015

	2015	2014
Operating Activities		
(Deficiency) Excess of revenue over expenditures	\$ (396,592)	\$ 92,766
Items not affecting cash		
Amortization of property and equipment	40,559	21,247
	(356,033)	114,013
Changes in non-cash working capital items	(48,570)	47,513
	(404,603)	161,526
Investing Activities		
Purchase of term deposits - net of redemptions	616,029	(126,408)
Purchases of property and equipment	(255,349)	(11,600)
	360,680	(138,008)
Increase in cash	(43,923)	23,518
Cash, beginning of year	197,322	173,804
Cash, end of year	\$ 153,399	197,322

Human Resources Institute of Alberta
Notes to the Financial Statements
For the year ended December 31, 2015

1. Purpose of the organization

HRIA exists for the advancement of the human resources profession, for the benefit of our members and other stakeholders and the protection of the public, in a manner that demonstrates responsible and efficient use of association resources.

HRIA focuses its efforts on the following eight strategic ends:

1. Professional Recognition
2. CHRP Standards
3. CHRP Value
4. Stakeholder Information
5. Communication
6. Professional Development
7. Advancing HR Practices
8. Sustainability

HRIA is a not-for-profit organization under the Income Tax Act and therefore is not subject to either federal or provincial taxes.

2. Summary of significant accounting policies

The financial statements have been prepared in accordance with Canadian generally accepted accounting standards for not-for-profit organizations ("ASNPO") and include the following significant accounting policies.

a. Cash and cash equivalents

Cash and cash equivalents include cash on hand and balances with banks and other institutions.

b. Revenue recognition

Human Resources Institute of Alberta follows the deferral method of accounting for contributions.

Member dues, recertification fees, transfer fees, job source, national examinations, chapters revenue, annual conference, member services and member professional development are recorded as revenue in the year to which they apply and amounts received for future years are recorded as deferred revenue or customer deposits in the current fiscal year.

c. Investments

Investments consist of Guaranteed Investment Certificates and term deposits issued by major financial institutions and are recorded at their current balance which approximates their market value. Investments that are subject to internally imposed restrictions as shown as restricted cash and term deposits.

2. Summary of significant accounting policies (cont'd)

d. Use of estimates and measurement uncertainty

The preparation of 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 reported amounts of revenues and expenses during the period.

Management reviews the carrying amounts of items in the financial statements at each balance sheet date to assess the need for revision or any possibility of impairment. Management determines these estimates based on assumptions that reflect the most probable set of economic conditions and planned courses of action. Actual results could differ from those estimates.

Items subject to significant management estimates include accruals, allowance for doubtful accounts and estimate for depreciation.

e. Property and equipment

Property and equipment are recorded at cost less accumulated amortization. Amortization is provided on the following basis at the following annual rates:

Equipment and furniture: 20%, declining balance
Computers Hardware: 45%, declining balance
Computer Software: 3 years, straight-line

f. Impairment of long-lived assets

Long-lived assets are reviewed for impairment when events or circumstances indicate that their carrying value exceeds the sum of the undiscounted cash flows expected from their use and eventual disposal. An impairment loss is measured as the amount by which the capital assets' carrying value exceeds the fair value. No impairment of long-lived assets has been recorded in the current year.

2. Summary of significant accounting policies (cont'd)

g. Financial instruments

Initial measurement:

The Institute's financial instruments are measured at fair value when issued or acquired. For financial instruments subsequently measured at cost or amortized cost, fair value is adjusted by the amount of the related financing fees and transaction costs. Transaction costs and financing fees relating to financial instruments that are measured subsequently at fair value are recognized in operations in the year in which they are incurred.

Subsequent measurement:

At each reporting date, the Institute measures its financial assets and liabilities at cost or amortized cost (less impairment in the case of financial assets), except for equities quoted in an active market, which must be measured at fair value. The Institute has also irrevocably elected to measure its investments in term deposits at fair value. All changes in fair value of the Institute's investments in equities quoted in an active market and in term deposits are recorded in the statement of operations. The Institute uses the effective interest rate method to amortize any premiums, discounts, transaction fees and financing fees to the statement of operations. The financial instruments measured at amortized cost are cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities. Term deposits are measured at fair value.

For financial assets measured at cost or amortized cost, the Institute regularly assesses whether there are any indications of impairment. If there is an indication of impairment, and the Institute determines that there is a significant adverse change in the expected timing or amount of future cash flows from the financial asset, it recognizes an impairment loss in the statement of operations. Any reversals of previously recognized impairment losses are recognized in operations in the year the reversal occurs.

3. Government remittances

GST receivable included in accounts receivable at year end is \$4,129 (2014 -\$9,760).

4. Term deposits and restricted term deposits

HRIA holds ten Guaranteed Investments Certificates as at December 31, 2015. These term deposits are held by a qualified investment counsellor and are invested in highly rated fixed income investments.

The investments mature between January 2016 and March 2016 (2014 – January 2015 and October 2015) and interest rates range from 0.80% (2014 – 1.35% to 1.75%) annually.

5. Internally restricted net assets

Operating Reserve – An operating reserve of 25% of the annual operating expenses has been maintained in 2015

Special Program Reserve – A Special Program Reserve to support expenses arising from self-regulation such as legal expenses should be maintained in an amount not to exceed \$150,000.

Special Program Reserve – A Special Program Reserve that would be intended to provide an internal source of funds to support expenses arising from legal expenses due to discipline complaints should be maintained in an amount not to exceed \$250,000.

During the year, there were internally restricted \$877,566 (2014 - \$998,643) for operating reserves, and \$400,000 (2014 - \$900,000) for special program reserves. The special reserves are supported in full by restricted cash and term deposits.

During the year, HRIA decreased its term deposits by \$616,029 (2014 - \$Nil) to support operations, restructuring of the organization and development of a new membership database.

6. Property and equipment

	Cost	Accumulated Amortization	2015 Net	2014 Net
Furniture and equipment	\$ 96,247	\$ 70,768	\$ 26,179	\$ 32,024
Computer hardware	70,392	56,363	14,029	14,587
Computer software	243,128	21,935	221,193	-
	\$ 410,467	\$ 149,066	\$ 261,401	\$ 46,611

During the year, \$21,935 (2014 - \$Nil) of amortization expense was recorded in the information technology expense on the statement of operations.

7. Lease commitment

HRIA has signed a lease agreement dated August 1, 2016 and expiring July 31, 2026. Total minimum lease payments under the term of the agreement are:

2016	\$ 157,633	2019	\$ 173,297
2017	\$ 178,960	2020	\$ 173,297
2018	\$ 173,297	And there-after	\$967,574

The lease includes an additional rent in form of operating cost recoveries, which approximates \$122,368 annually.

7. Comparative figures

The financial statements for the prior year have been reclassified, where applicable, to conform the presentation used in the current year. The changes do not affect prior year earnings.

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