

**Association of Professional  
Engineers and Geoscientists  
of Alberta**

Summary Financial Statements  
**December 31, 2019**



## *Report of the Independent Auditor on the Summary Financial Statements*

To the Members of Association of Professional Engineers and Geoscientists of Alberta

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### *Our opinion*

In our opinion, the accompanying summary financial statements of Association of Professional Engineers and Geoscientists of Alberta (the Association) are a fair summary of the audited financial statements, on the basis described in note 1 to the summary financial statements.

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### *The summary financial statements*

The Association's summary financial statements derived from the audited financial statements for the year ended December 31, 2019 comprise:

- the summary statement of financial position as at December 31, 2019;
- the summary statement of operations for the year then ended; and
- the related notes to the summary financial statements.

The summary financial statements do not contain all the disclosures required by Canadian accounting standards for not-for-profit organizations. Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements and the auditor's report thereon.

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### *The audited financial statements and our report thereon*

We expressed an unmodified audit opinion on the audited financial statements in our report dated March 19, 2020.

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### *Management's responsibility for the summary financial statements*

Management is responsible for the preparation of the summary financial statements on the basis described in note 1.

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"PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.



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*Auditor's responsibility*

Our responsibility is to express an opinion on whether the summary financial statements are a fair summary of the audited financial statements based on our procedures, which were conducted in accordance with Canadian Auditing Standard (CAS) 810, *Engagements to Report on Summary Financial Statements*.

*PricewaterhouseCoopers LLP*

Chartered Professional Accountants

Edmonton, Alberta  
March 19, 2020

# Association of Professional Engineers and Geoscientists of Alberta

## Summary Statement of Financial Position

As at December 31, 2019

(in thousands of dollars)

	2019 \$	2018 \$
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	8,100	5,341
Short-term investments	4,000	4,000
Accounts receivable	2,147	1,371
Prepaid expenses	541	627
	<u>14,788</u>	<u>11,339</u>
<b>Tangible capital assets</b>	5,216	4,800
<b>Intangible assets</b>	3,017	1,666
<b>Investments</b>	17,381	15,837
<b>Defined benefit pension plan surplus</b> (note 3)	2,579	186
	<u>42,981</u>	<u>33,828</u>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	3,072	2,139
Government remittances payable	64	134
Deferred dues and fees revenues	14,901	12,780
Obligation under capital lease	-	30
	<u>18,037</u>	<u>15,083</u>
<b>Deferred lease inducement</b>	1,596	1,163
	<u>19,633</u>	<u>16,246</u>
<b>Net Assets</b>		
<b>Invested in tangible capital and intangible assets</b>	8,233	6,436
<b>Internally restricted</b> – legislative review	1,000	1,000
<b>Internally restricted</b> – regulatory risk management reserve	2,764	988
<b>Unrestricted</b>	11,351	9,158
	<u>23,348</u>	<u>17,582</u>
	<u>42,981</u>	<u>33,828</u>
<b>Approved by the Board of Directors</b>		

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Director

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Director

The accompanying notes are an integral part of these summary financial statements.

# Association of Professional Engineers and Geoscientists of Alberta

## Summary Statement of Operations

For the year ended December 31, 2019

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(in thousands of dollars)

	2019	2018
	\$	\$
<b>Revenues</b>		
Members' annual dues	21,957	21,857
Permit annual dues	3,606	3,129
Registration fees	1,456	1,454
Examination fees	992	1,213
Affinity program	2,440	2,714
Fees recovered for programs	832	1,135
General	652	649
Realized and unrealized investment gain (loss)	1,801	(477)
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	33,736	31,674
<b>Expenses</b>		
Salaries and benefits	15,665	14,274
Consultants and contractors	1,601	1,201
IT and telecommunications	2,684	1,966
Legal fees	1,212	1,215
Travel, meals and volunteers	1,743	1,312
Facilities lease and management	1,933	2,008
National assessment and premiums	1,189	1,199
Exam administration	479	534
Printing, supplies and distribution	702	750
Advertising and promotion	259	103
Sponsorships	164	165
Administration	466	411
Bank and financial charges	506	593
Amortization	1,650	1,486
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	30,253	27,217
<b>Excess of revenues over expenses for the year</b>	<hr/>	<hr/>
	3,483	4,457

The accompanying notes are an integral part of these summary financial statements.

# Association of Professional Engineers and Geoscientists of Alberta

## Notes to Summary Financial Statements

December 31, 2019

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(in thousands of dollars)

### 1 Basis of presentation

The summary financial statements are derived from the audited financial statements prepared in accordance with Canadian accounting standards for not-for-profit organizations as at December 31, 2019 and for the year then ended.

The preparation of these summary financial statements requires management to determine the information that needs to be reflected in them so that they are consistent in all material respects with, or represent a fair summary of, the audited financial statements.

Management prepared these summary financial statements using the following criteria:

- the summary financial statements include all statements included in the audited financial statements with the exception of the statement of changes in net assets and the statement of cash flows;
- information in the summary financial statements agrees with the related information in the audited financial statements;
- major subtotals, totals and comparative information from the audited financial statements are included; and
- the summary financial statements contain the information from the audited financial statements dealing with matters having a pervasive or otherwise significant effect on the summary financial statements, such as described in note 2.

The audited financial statements of Association of Professional Engineers and Geoscientists of Alberta (APEGA) are available on APEGA's website at [www.apega.ca](http://www.apega.ca).

### 2 Summary of significant accounting policies

#### Revenue recognition

Revenue is recognized when evidence of an arrangement exists, the service has been rendered, the price is determinable and ultimate collection is reasonably assured.

Specific revenue recognition policies include the following:

- dues and permit fees are set annually by Council and are recognized as revenue proportionately over a fiscal year to which they relate;
- registration fees are recognized when received;
- examination fees are recognized when the examination is presented;
- affinity program revenue is recognized when received;

# Association of Professional Engineers and Geoscientists of Alberta

## Notes to Summary Financial Statements

December 31, 2019

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(in thousands of dollars)

- general revenue is recognized when the related services are provided or goods are shipped; and
- realized investment income includes interest and dividends and is recognized when earned.

APEGA follows the deferral method of accounting for contributions, which include grants and donations. Grants are recognized in the accounts when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Grants are deferred when initially recorded in the accounts and are recognized as revenue in the year in which the related expenses are recognized. Donations are recorded when received, since pledges are not legally enforceable claims. Unrestricted contributions are recognized as revenue when initially recorded in the accounts. Externally restricted contributions are deferred when initially recorded in the accounts and are recognized as revenue in the year in which the related expenses are recognized.

### 3 Defined benefit pension plan

In the year-end summary statement of financial position, APEGA recognizes the defined benefit obligation, less the fair value of the plan assets.

	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Defined benefit pension plan surplus		
Plan assets at fair value	19,609	16,555
Accrued benefit obligations	(17,030)	(16,369)
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	2,579	186
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