

THE PROFESSIONAL INTERIOR DESIGNERS INSTITUTE OF MANITOBA
Financial Statements
For the Year Ended December 31, 2024

THE PROFESSIONAL INTERIOR DESIGNERS INSTITUTE OF MANITOBA

Index to Financial Statements

For the Year Ended December 31, 2024

INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT	1
FINANCIAL STATEMENTS	
Statement of Financial Position	2
Statement of Changes in Net Assets	3
Statement of Operations	4
Statement of Cash Flows	5
Notes to the Financial Statements	6 - 9



INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Board of Directors
The Professional Interior Designers Institute of Manitoba

We have reviewed the accompanying financial statements of The Professional Interior Designers Institute of Manitoba that comprise the statement of financial position as at December 31, 2024 and the Statements of operations, statement of changes in net asset and cash flows for the year then ended and a summary 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.

Practitioner's 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 practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates 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 The Professional Interior Designers Institute of Manitoba as at December 31, 2024, 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.

Winnipeg, Manitoba
February 22, 2025

Talbot and Associates
Chartered Professional Accountants

We offer true peace of mind

Talbot & Associates (Head Office) 3553 Pembina Hwy, Winnipeg, MB R3V 1A5 • (204) 269-7460

talbotcpa.ca

THE PROFESSIONAL INTERIOR DESIGNERS INSTITUTE OF MANITOBA

Statement of Financial Position

As At December 31, 2024

	2024	2023
ASSETS		
CURRENT		
Cash	\$ 108,675	\$ 89,156
Internally restricted cash (Note 3)	73,643	68,339
Accounts receivable	1,615	500
Prepaid expense	925	-
Investments (Note 4)	223,410	209,294
Due from government agencies	1,109	4,260
	<u>409,377</u>	<u>371,549</u>
TANGIBLE CAPITAL ASSETS (Note 5)	918	864
	<u>\$ 410,295</u>	<u>\$ 372,413</u>
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 13,727	\$ 14,646
NET ASSETS		
Internally restricted fund	73,643	68,339
General fund	322,925	289,428
	<u>396,568</u>	<u>357,767</u>
	<u>\$ 410,295</u>	<u>\$ 372,413</u>

Approved on Behalf of the Board:

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

THE PROFESSIONAL INTERIOR DESIGNERS INSTITUTE OF MANITOBA

Statement of Changes in Net Assets

For the Year Ended December 31, 2024

	General Fund	Internally Restricted Fund	2024	2023
NET ASSETS - beginning of year	\$ 289,428	\$ 68,339	\$ 357,767	\$ 334,191
EXCESS OF REVENUES OVER EXPENSES	36,384	2,417	38,801	23,576
Net Transfers	(2,887)	2,887	-	-
NET ASSETS - end of year	\$ 322,925	\$ 73,643	\$ 396,568	\$ 357,767

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

THE PROFESSIONAL INTERIOR DESIGNERS INSTITUTE OF MANITOBA

Statement of Operations

For the Year Ended December 31, 2024

	2024	2023
REVENUE		
Manitoba Design Exposition	\$ 92,436	\$ 87,005
Membership fees	58,626	48,976
Sponsorship / Membership Services	56,270	34,630
Golf tournament	28,155	-
Other revenue	16,704	4,285
MASI Gala	3,327	54,312
Travel reimbursement	2,482	-
Interest income	1,247	1,138
	<u>259,247</u>	<u>230,346</u>
EXPENSES		
Advertising and promotion	8,656	1,259
Bad debt expense (recovered)	-	(63)
Donations	6,850	5,300
Insurance	1,108	2,033
Interest and bank charges	5,105	4,567
Licenses	40	76
Management fees	69,237	45,500
Manitoba Design Exposition	44,288	40,514
MASI Awards gala	442	41,523
Member services	22,279	9,613
Membership - other	3,865	6,063
Office expenses	3,287	4,633
Professional fees	13,501	36,102
Programming Committee	25,590	-
Rental	3,427	810
Travel	7,000	4,238
Utilities	1,656	2,478
Website	6,217	5,240
	<u>222,548</u>	<u>209,886</u>
EXCESS OF REVENUES OVER EXPENSES BEFORE OTHER ITEMS	36,699	20,460
OTHER ITEMS		
Amortization of tangible assets	(315)	(152)
Gain (loss) on disposal of tangible capital assets	-	(203)
	<u>(315)</u>	<u>(355)</u>
EXCESS OF REVENUES OVER EXPENSES FROM GENERAL FUND	36,384	20,105
INTERNALLY RESTRICTED		
Interest income	2,417	3,471
	<u>2,417</u>	<u>3,471</u>
EXCESS OF REVENUES OVER EXPENSES	\$ 38,801	\$ 23,576

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

THE PROFESSIONAL INTERIOR DESIGNERS INSTITUTE OF MANITOBA

Statement of Cash Flows

For the Year Ended December 31, 2024

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES:		
Excess of revenues over expenses	\$ 38,801	\$ 23,576
Items not affecting cash:		
Gain (loss) on disposal of tangible capital assets	-	203
Amortization	315	152
	<u>39,116</u>	23,931
Changes in non-cash working capital:		
Accounts receivable	(1,115)	(500)
Prepaid expenses	(925)	1,000
Accounts payable and accrued liabilities	(2,284)	10,646
Due to government agencies	3,152	(1,378)
	<u>37,944</u>	33,699
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payments to acquire tangible capital assets	(369)	(1,016)
	<u>(369)</u>	(1,016)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Re-invested interest and dividends	(12,752)	(2,539)
Purchase of investments	-	(200,000)
Redemption of investments	-	40,388
	<u>(12,752)</u>	(162,151)
INCREASE (DECREASE) IN CASH FLOW	24,823	(129,468)
CASH - beginning of year	157,495	286,963
CASH - end of year	\$ 182,318	\$ 157,495
Cash and cash equivalents consist of the following:		
Cash	\$ 108,675	\$ 89,156
Restricted cash	73,643	68,339
	<u>\$ 182,318</u>	<u>\$ 157,495</u>

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

THE PROFESSIONAL INTERIOR DESIGNERS INSTITUTE OF MANITOBA

Notes to the Financial Statements

For the Year Ended December 31, 2024

1. PURPOSE OF THE INSTITUTE

The Professional Interior Designers Institute of Manitoba, the Institute is committed to the practice of interior design for the purpose of improving the quality of life through the design of the interior environment. The Professional Interior Designers Institute of Manitoba is an association of interior designers qualified by education, experience and examination to practice the profession of interior design in the Province of Manitoba, under the designation Profession Interior Designer.

The Professional Interior Designers Institute of Manitoba:

1. Promotes public awareness of the role and qualifications of the Professional Interior Designer.
2. Protects the general public by ensuring the competency and ethical conduct of those identified as members of the Institute.
3. Promotes and enhances the knowledge, skill and proficiency of its members in all matters relating to the profession of interior design.
4. Participates in programs to facilitate, aid and promote the education of those wishing to become professional interior designers.
5. Works together with other related professions to achieve mutually beneficial relationships.

The Institute was incorporated under the laws of Manitoba in March 1954 and is exempt from income taxes under section 149 (l) of the Income Tax Act.

2. SIGNIFICANT ACCOUNTING POLICIES

a. Basis of preparation

The Institute prepares its financial statements in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO) and in management's opinion, with consideration of materiality and within the framework of the following accounting policies.

b. Investments

Investments represents guaranteed investment certificates and are stated at original cost plus accrued interest which approximates fair market value.

THE PROFESSIONAL INTERIOR DESIGNERS INSTITUTE OF MANITOBA

Notes to the Financial Statements

For the Year Ended December 31, 2024

2. Significant Accounting Policies

c. Tangible capital assets

Tangible capital assets are stated at cost. Depreciation is provided using the following methods and annual rates:

Buildings	4%, declining balance method
Computer equipment	30%, declining balance method
Furniture and fixtures	20% declining balance method

The Institute regularly reviews its tangible capitals assets to eliminate obsolete items.

The amortization of the tangible capital assets is calculated half of the above mentionned rates for the year of purchase and no amortization is recorded in the year of disposal.

d. Financial instruments

The Institute initially measures its financial assets and financial liabilities at fair value. The Institute subsequently measures all its financial assets and liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in statement of operations.

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

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

The Institute's financial assets measured at fair value include short term investments.

e. Measurement of uncertainty

The preparation of financial statements in conformity with Canadian generally accepted accounting principles 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 include providing for amortization of capital assets and goodwill. Actual results could differ from these estimates.

THE PROFESSIONAL INTERIOR DESIGNERS INSTITUTE OF MANITOBA

Notes to the Financial Statements

For the Year Ended December 31, 2024

2. Significant Accounting Policies

f. Revenue recognition

The Institute uses the deferral method of accounting for contributions. Under this method, unrestricted contributions are recognized as revenue when received or receivable. Deferred contributions are recognized as revenue in the year in which the related expenses are incurred.

Membership revenue is recognized in the year to which the membership dues apply, provided that the amount to be recorded can be reasonably estimated and collection is reasonably assured. Dues collected which apply to a future reporting period are deferred and recognized in the future applicable reporting period.

Sponsorship revenues are recognized when received or when it becomes receivable.

Tradeshow revenue, Design awards, Golf Tournament and Gala revenue occur once a year and are recognized when received or when it becomes receivable.

Website advertising revenues are recognized when received or when it becomes receivable.

Revenue from sales is recorded at the time of shipment to customers.

g. Gifts in kind

The Institute recognizes gifts in kind for contributions of materials and services when fair value can be reasonably estimated and when the materials and services are used in the normal course of the Institutes operations and would otherwise have been purchased. None were received in the current year.

3. INTERNALLY RESTRICTED CASH

In 2018, the board of directors resolved to form a Internally Restricted Fund for future expenditures relating to the Practice Act. The Institute may not use these internally restricted amounts for any other purpose without the approval of the board of directors.

	<u>2024</u>	<u>2023</u>
Opening balance	\$ 68,339	\$ 176,663
Transfers in	2,887	95,828
Transfers out	-	(207,623)
Interest earned	2,417	3,470
	<u>\$ 73,643</u>	<u>\$ 68,338</u>

THE PROFESSIONAL INTERIOR DESIGNERS INSTITUTE OF MANITOBA

Notes to the Financial Statements

For the Year Ended December 31, 2024

4. INVESTMENTS

The investments consist of GICs held with BMO as well as equities and investments with CIBC. The equities and investments with CIBC are reported as market value and the GIC interest is compounded annually at the rates and maturity dates are listed below:

	2024	2023
BMO #45992232 Matures March 20, 2025 Interest rate 4.75%	\$ 6,476	\$ 6,200
CIBC - marketable securities	216,934	203,094
	<u>\$ 223,410</u>	<u>\$ 209,294</u>

5. TANGIBLE CAPITAL ASSETS

	2024	2023		
	Cost	Accum. Amort.	Net Book Value	Net Book Value
Computer equipment	\$ 1,385	\$ (467)	\$ 918	\$ 864

6. FINANCIAL INSTRUMENTS

The Institute is exposed to various risks through its financial instruments. The following analysis presents the "Institute's" exposures to significant risk at the reporting date, i.e. December 31, 2024.

Credit risk

The Institute is exposed to credit risk with respect to term deposits and trade receivables. The Institute assesses, on a continuous basis, trade and other receivables on the basis of amounts it is virtually certain to receive. The credit risk has decreased in the year due to the later issuance of the invoices for the membership dues. The credit risk with respect to term deposits is insignificant since they are held in large financial institutions.

Interest rate risk

The Institute is exposed to interest rate risk with respect to its restricted cash and long-term investments. Interest rate instruments subject the Institute to risk of change in fair value.

7. SUBSEQUENT EVENTS

On January 16, 2025, the Institute, transferred \$52,889 from the operating cash account to the Internally restricted cash account. In addition, a transfer of \$75,000 was made from the Internally restricted cash account to the CIBC investment account on January 20, 2025.