



**Insurance Institute**  
Nova Scotia

**Annual Report**  
**2016-2017**

## **COUNCIL MEMBERS 2016/2017**

### **EXECUTIVE**

<b>President:</b>	Paul Croft, CIP
<b>1<sup>st</sup> Vice President:</b>	Gloria Haydock, CIP
<b>2<sup>nd</sup> Vice President/ Treasurer:</b>	Jane Richardson, FCIP
<b>Past President:</b>	Moira Murphy, FCIP

### **DIRECTORS**

Kelly Leydon, FCIP  
Kimberley Livingston, CIP, CRM  
Matthew Robblee, CIP  
Andrew Williams, FCIP

### **MANAGER**

Jennifer Reyno

### **EDUCATION COORDINATOR**

Leanne Henriksson

**INSURANCE INSTITUTE OF NOVA SCOTIA  
MINUTES OF ANNUAL MEETING  
FRIDAY, JUNE 9, 2017**

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The 64<sup>th</sup> Annual Meeting of the Insurance Institute of Nova Scotia was held on Friday, June 9, 2017 at Café Chianti, 1241 Barrington Street in Halifax, NS, with President Paul Croft, CIP presiding. The meeting was called to order at 5:50 p.m.

**NOTICE**

Jenny Reyno, Manager, read the notice of the Annual Meeting.

**SCRUTINEERS**

Paul Croft appointed Ken Clahane and Debby Johnson to act as Scrutineers.

**QUORUM**

Jenny Reyno advised that a quorum was present.

**MINUTES**

The minutes of June 17, 2016 Annual Meeting were circulated. Moira Murphy moved that the minutes be approved as published. Gloria Haydock seconded the motion. **MOTION CARRIED**

**PRESIDENT'S REPORT**

President Paul Croft read from his prepared report. We attach this report and it forms part of these minutes.

**FINANCIAL REPORTS AND AUDITOR'S REPORT**

Gloria Haydock presented the prepared audited financial statement for the year ending March 31, 2017. It was circulated to those in attendance. Gloria Haydock moved for acceptance of the audited financial statement. Moira Murphy seconded the motion. **MOTION CARRIED**

**ELECTION OF EXECUTIVE AND DIRECTORS**

Moira Murphy read the report of the Nominating Committee, which was previously distributed to all the members of the Institute. It is attached and forms part of these minutes. She asked if there were further nominations from the floor.

When no further nominations were forthcoming Moira Murphy moved that the nominated Executive and Directors be accepted. Gloria Haydock seconded the motion. **MOTION CARRIED**

**ELECTION OF NS DIRECTORS TO THE IIC BOARD OF GOVERNORS FOR 2016-2017**

Paul Croft explained that in order to meet the requirements of the Canada Not-For-Profit Corporations Act, the Insurance Institute of NS is required to elect those who will represent us on the Insurance Institute of Canada (IIC) Board of Governors for 2018-2019.

Kim Livingston moved that Paul Croft and Gloria Haydock be elected as the Insurance Institute of NS Directors, and Jane Richardson be elected as the Insurance Institute of NS Alternate Director to the Insurance Institute of Canada Board of Governors for 2018 – 2019. Sandy Reinders seconded the motion.

**MOTION CARRIED**

### **APPOINTMENT OF AUDITORS**

Matthew Robblee moved that BDO Canada LLP be appointed auditors for the coming year at a fee to be determined. Kim Livingston seconded the motion.

**MOTION CARRIED**

### **BANKING RESOLUTION**

Jane Richardson moved that the President, 1<sup>st</sup> Vice President, 2<sup>nd</sup> Vice President, Past President and Manager or any one of them, authorize and approve invoices and that any one of them shall make deposits with the bank and endorse cheques for deposit and receive all paid cheques and other debit vouchers and give receipts on behalf of the Insurance Institute of Nova Scotia. She further moved that the Insurance Institute of Nova Scotia hereby grants the Insurance Institute of Canada continued authority to make payments on behalf of the Insurance Institute of Nova Scotia respecting all current authority levels. Andy Williams seconded the motion.

**MOTION CARRIED**

Jane Richardson moved that the Manager alone be authorized to approve expenses, invoices, and payments up to \$1000, the Manager plus one Council Member to approve such amounts from \$1,001 to \$24,999, the Vice President Operations (IIC) to approve such amounts from \$25,000 to \$74,999 and the President (IIC) to approve such amounts \$75,000 and greater. These limits shall remain in effect as and until amended or rescinded at a future date. Matt Robblee seconded the motion.

**MOTION CARRIED**

### **ANY OTHER BUSINESS**

Paul Croft extended a thank you to the Insurance Institute of Nova Scotia CIP instructors for their professionalism and commitment to our students.

No further business was presented to the President for consideration at this meeting. Sandy Reinders moved for adjournment. The meeting was adjourned at 6:13 pm.

Respectfully submitted,



Paul Croft, CIP  
President  
Insurance Institute of Nova Scotia

**PRESIDENT'S 2016-2017 ANNUAL REPORT**  
**Paul Croft, CIP**

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It is my pleasure on behalf of the Executive and Board of Directors to present the Insurance Institute of Nova Scotia Annual Report.

**2016 – 2017 Board of Directors and Committees**

**Executive:**

**President - Paul Croft, CIP**

- Membership Services Chair

**Past President - Moira Murphy, BComm, FCIP**

- CIP Society Chair
- Inter Industry Liaison Committee

**1<sup>st</sup> Vice President - Gloria Haydock, CIP**

- Education Chair
- Special Events Chair

**2<sup>nd</sup> Vice President - Jane Richardson, FCIP**

- Inter Industry Liaison Chair
- Education Committee

**Directors:**

**Kelly Leydon, FCIP**

- Career Connections Chair
- Inter Industry Liaison Committee
- Special Events Committee

**Jennifer Power, CIP**

- Career Connections Committee
- Inter Industry Liaison Committee
- Marketing Committee
- Special Events Committee

**Andrew Williams, FCIP**

- Cape Breton Liaison Chair
- Inter Industry Liaison Committee

**Kimberley Livingston, CAIB, FCIP, CRM**

- Communications Chair
- Inter Industry Liaison Committee
- Special Events Committee

**Matthew Robblee, CAIB, CIP**

- Marketing Chair
- Inter Industry Liaison Committee

**Manager**

Jenny Reyno

**Education Coordinator**

Leanne Henriksson

## **Membership**

Prior Year May 31, 2016	As of May 31, 2017	Target	% Variance
1,405	1,475	1,335	+10%

IINS has experienced strong growth this year. Offering a number of RIBO licensing courses to a major employer has provided an increase in new membership. We anticipate continued growth in new membership in 2017-18, with the sale of our licensing product.

We continue to experience challenges with employers not supporting memberships for students who are no longer taking courses. This may also impact our retention for 2017-18. Converting licensing students into the CIP program will be a focused action as a measure to maintain the current retention level.

## **Programs**

CIP Program:

Spring 2016		Fall 2016		Winter 2017		<b>TOTAL</b>		Target		% Variance	
# class / student	# class / student	# class / student	# class / student	# class / student	# class / student	# class / student	# class / student	# class / student	# class / student	# class / student	# class / student
7	64	12.5	159	11	135	<b>30.5</b>	<b>358</b>	28	310	8.9%	15.5%

We continue to provide flexible course offerings to meet the needs of our membership. The average class size has grown over the prior year but is still lower historically. We continue to survey students to ensure we are meeting the expectations of our members.

We held our third annual Instructors' Luncheon with 10 attendees. This event continues to be well received as a recognition event as well as a venue to align common practices.

On-demand licensing kits and exams have been developed and are for sale on the website. The first NS licensing class will run in 2017-18.

Virtual classes continue to be the most popular choice for students with the percentage of overall registrations increasing over last year. We have seen an increase in students requesting our Weekend Warrior format option. Shared classes allow us to bring a broader selection of classes to our members.

## **Events and Seminars**

# of Academic seminars	Target	# of CIP Society seminars	Target	# of Events	Target
15	18	0	2	7	7

## Seminars

Academic attendance	CIP Society attendance	Target Attendance	% Variance
472	0	470	0%

## Events

Attendance	Target Attendance	% Variance
1176	1124	4.6%

## Convocation

Attendance	GIE Grads	CIP Grads	FCIP Grads	Total
240	0	37	3	40

## Seminars

Our Coffee and Conversation series of seminars continue to be well received within our membership and the IBANS (Insurance Brokers Association of Nova Scotia) community. In-person attendance has experienced a slight decline in favour of webinar participation. We have been encountering challenges in securing qualified speakers for these monthly seminars. We have a wealth of topics available, with many brought forward by members.

We continue to liaise with the General Insurance Association of Cape Breton to support education and network opportunities in Sydney and surrounding area. We held a seminar in Sydney the afternoon before the Soiree in partnership with the GIACB. The arrangement was mutually beneficial and, due to the success will be revisited next year.

A total of 344 attendees registered for our monthly Coffee & Conversation seminars:

Water Damage	74
Role Play: Restoration vs Adjusters	27
Condos: Above & Beyond	77
SPF 4 Garage Policy	105
Uber, AirBnB & Cyber Ins; Impact of Sharing Economy	35
Equipment Breakdown	26

A total of 128 participants have registered for our academic seminars over the past year:

Residential Risk Management	22
Personal Injury Income Loss	25
Introduction to Managing Today's Workforce	9
Next Steps to Managing Today's Workforce	8
Oil Tank Essentials	7
Valuation, Valuation, Valuation!	13
Disaster Response; Environmental Risk Perspectives	16
Fuel Oil & Transportation Losses	18
How to Enhance Broker Technical Expertise	10

## **Networking Events**

We held a total of seven networking events with 1164 registrations over the past year.

Spring Networking Fling	351
CIP Society Golf Tournament	127
Charity Softball Tournament	153
South Shore Soiree	79
Annual Awards Dinner	240
Sydney Soiree	214

The Insurance Institute attempted to hold a curling bonspiel in March; however, due to competing events of other organizations it was cancelled.

Our golf tournament's new location was applauded by the attendees with a more central location and feedback from the day was very positive.

We also had a new venue for our Spring Networking Fling which saw an increase in attendance over last year. The venue's lay-out supported better flow for networking opportunities. A new concept was developed to increase broker attendance with a 'buy one – bring a broker free' campaign. The campaign was well received by our members.

## **CIP Society**

There were two targeted CIP Society seminars this year however due to increased costs for presenters at this level we were unable to deliver. We are exploring new opportunities for 2017-18.

## **Career Connections**

We held our annual Feed the Minds of Youth with 12 participants. The three speakers shared their experiences in their respective fields with enthusiasm and passion for the industry.

## **Twitter**

We continue to remain committed to twitter with 922 tweets overall and increasing this year to 681 followers. Most recently we promoted our licensing video through this medium.

## **National Education Month**

The change from last year's week-long event to the current month-long one saw a fresh idea to move from the essay contest to the Atlantic Video Contest. We did encounter a decline in participation and will revisit it again next year to understand how to better engage members. To support a month's activity, we changed the trivia contest to a weekly challenge instead of daily.

## **Local Industry Issues Affecting Institutes**

The Liberal party is in their second year of power, with little impact to the industry. It is anticipated that there will be a strong challenge to their leadership in the next election (anticipated in 2018) as the Liberal party's favour continues its decline over the last year.



## **Licensing Activity**

Our Institute was active holding three RIBO licensing classes at the request of a direct writer. Thanks to instructors Ken Clahane and Melanie Needham the students enjoyed a 100% pass ratio in each class. This licensing class, in addition to the NS licensing program, will be explored further for possible growth opportunity.

## **Sponsorship Campaign**

We had a new format for sponsorships that provided clarity through the process. Feedback on how it presented an organized overview of all sponsorship opportunities was very positive. It gave plenty of advanced notice for our most popular events for planning purposes.

## **Goals and Challenges**

Our goal to maintain membership to the prior year level was exceeded through meeting a major employer's need for a professional licensing training. The challenge of creating the program was met in collaboration with IIC.

We value the partnership that we have created with IBANS (Insurance Brokers Association of Nova Scotia) over the past several years. This partnership has resulted in higher engagement and increased networking and learning opportunities within the local industry. Strengthening this relationship will be a continuous goal as it is mutually advantageous.

## **Conclusion**

2016-17 has been a strong year for IINS. Our networking events experienced a healthy increase in attendance over last year. Membership increased over the prior year, primarily due to licensing activity. CIP program participation exceeded target and presents further opportunity with the conversion of licensing students.

I want to thank all the volunteers who have supported the organization over the year as well as our dedicated Board members who continue to drive IINS forward. I would also like to extend my thanks and appreciation to our Manager, Jenny Reyno and Education Coordinator, Leanne Henriksson for their dedication and commitment to operational excellence on behalf of IINS. Thanks also to Chelsea Smyth and Mike Divjak at IIC for their support.

Respectfully submitted,



Paul Croft, CIP  
President  
Insurance Institute of Nova Scotia

**REPORT OF THE NOMINATING COMMITTEE  
NOMINATIONS FOR THE SLATE OF EXECUTIVE AND DIRECTORS  
2017-2018 TERM**

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**PRESIDENT:** Paul Croft, CIP  
Aon Risk Solutions  
Halifax, NS

**FIRST VICE PRESIDENT:** Gloria Haydock, CIP  
Economical Insurance  
Dartmouth, NS

**SECOND VICE PRESIDENT:** Jane Richardson, FCIP  
Aon Risk Solutions  
Dartmouth, NS

**PAST PRESIDENT:** Moira Murphy, FCIP  
Intact Insurance  
Dartmouth, NS

**DIRECTORS**

Kelly Leydon, FCIP  
TD Insurance  
Halifax, NS

Kimberley Livingston, CIP, CRM  
Portage Mutual Insurance  
Bedford, NS

Jennifer Power, CIP  
Pembroke Insurance  
Bedford, NS

Matthew Robblee, CAIB, CIP  
Caldwell Roach Agencies  
Truro, NS

Andrew Williams, FCIP  
AMG Claims Inc.  
Halifax, NS

## **SUBSCRIBERS**

Insurers and reinsurers subscribe directly to The Insurance Institute of Canada, which then makes grants to local Institutes according to their needs. National brokers and adjusters have been invited to subscribe also. These donations enable the Insurance Institute to provide services to students at minimum costs.

### **NATIONAL SUBSCRIBERS – 2017**

AIG Canada	Kernaghan Adjusters Limited
Algoma Mutual Insurance Company	The Kings Mutual Insurance Company
Allstate Insurance Company of Canada	Ledor Assurances
Antigonish Farmers' Mutual Insurance Company	Promutuel du Littoral
Aon Reed Stenhouse Inc.	Lloyd's Underwriters
Aviva Canada Inc.	Mennonite Mutual Fire Insurance Company
Ayr Farmers' Mutual Insurance Company	Promutuel Montmagny-L'Islet
Bay of Quinte Mutual Insurance Company	Munich Reinsurance Company of Canada
Bertie & Clinton Mutual Insurance Company	North Blenheim Mutual Insurance Company
Boiler Inspection & Insurance Company of Canada	North Kent Mutual Fire Insurance Company
Promutuel Bois-Francs, S.M.A.G.	Northbridge Financial Corporation
La Capitale, Compagnie d'Assurance Générale	Old Republic Insurance Company of Canada
Promutuel Centre-Sud	PAFCO Insurance Company
Chubb Corp.	Partner Reinsurance Company of the U.S.
CNA, Canadian Operations	Peace Hills General Insurance Company
Coachman Insurance Company	P.E.I. Mutual Insurance Company
Co-operators General Insurance Company/Group	Pembridge Insurance Company
Crawford & Company (Canada) Inc.	The Portage La Prairie Mutual Insurance Co.
The CUMIS Group Limited	Promutuel Prairie-Valmont
C.U.R.I.E.	Red River Mutual
Desjardins Groupe d'assurances générales	RSA Canada Group
Dufferin Mutual Insurance Company	Saskatchewan Government Insurance Canada
Ecclesiastical Insurance Office plc	Saskatchewan Mutual Insurance Company
The Economical Insurance Group	Scor Canada Reinsurance Company
ENCON Group Inc.	SGI Canada Insurance Services Ltd.
Le Groupe Estrie-Richelieu	Sirius America Insurance Company
Promutuel de L'Estuaire	South Easthope Mutual
General Reinsurance Corporation	SSQ, Société d'Assurances Générales
Germania Mutual Insurance Company	TD Insurance
Gore Mutual Insurance Company	The Toa Reinsurance Company of America
The Guarantee Company of North America	Travelers Canada
Hay Mutual Insurance Company	Promutuel La Vallée, S.M.A.G.
Heartland Farm Mutual	Promutuel Vaudreuil-Soulanges
Intact Insurance Company	The Wawanesa Mutual Insurance Company
Kent & Essex Mutual Insurance Company	Wynward Insurance Group
	Zurich Canada

## **2017 GRADUATES**

### **Fellow Chartered Insurance Professionals**

Jennifer Lee Blacklock  
TD Insurance

Dale Brown  
ClaimsPro

Juanita Fraser  
Blenus Hope Insurance

Michele Elaine Leblanc  
Aviva Canada

Brett MacInnis  
BFL Canada Risk and Insurance

Lori L. Shea  
Kings Mutual Insurance

Barbara Villeneuve  
Travelers Canada

### **Advanced Chartered Insurance Professionals**

Kimberley Dawn Hartlen  
A.A. Munro Insurance

John Dudley Landymore  
Portage Mutual Insurance

### **Chartered Insurance Professionals**

Hayley Elizabeth Arnold  
Intact Insurance

Nicole Marie Beaver  
Aviva Canada

Catherine B. Bermundo  
Founders Insurance Group

Rhonda L. Best  
Kings Mutual Insurance

Scott Boutilier  
Aviva Canada

Shawn Paul Brockley  
Aviva Canada

Ashley Marie Burke  
Intact Insurance

DJ Cameron  
Fulton Insurance

Elisha Deamel  
A.A. Munro Insurance

Sarah Dietrich

Andrea DuPlessis  
Marsh Canada Limited

Courtney Mai Elliott  
MCT Insurance/Brokerlink

Colin J. Fowler  
Aviva Canada

Chris Geddes  
Portage Mutual Insurance

Erin Janet Gordon  
TD Insurance

Suzanne Hill  
Aviva Canada

Carole Anne MacArthur  
Unifund Claims Inc.

Scott Leonard Munro  
TD Insurance

Meredith Elizabeth Murray  
TD Insurance

Darini Rosita Pathirana  
Intact Insurance

Cynthia M. Peters  
RSA Insurance

Courtney Ellen Porter  
Intact Insurance

Janice L. Porter  
A.A. Munro Insurance

Misty Preece  
Travelers Canada

Lyndsay Ramia  
Intact Insurance

Jillian Marie Rudolph  
Blain King & Associates; The Co-operators

Leah Vineberg  
Gateway Insurance

Nancy Walker  
TD Insurance

### **Risk Management Certificate**

Kara-Lynn Scallion Whiston  
Kings Mutual Insurance

### **General Insurance Essentials Certificate**

Heather Lynn Beaver  
Economical Insurance

David Fillis  
Aviva Canada

Loriann Greene  
Portage Mutual Insurance

Kayla Greenhow  
Aviva Canada

Joel MacDonald  
Portage Mutual Insurance

Jeanette Mills  
Aviva Canada

Doreen Lynn Sanford  
Portage Mutual Insurance

Tammy Marie Stevens  
Portage Mutual Insurance

**Insurance Institute of Nova Scotia**  
**Financial Statements**  
For the year ended March 31, 2017

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Tel: 905 270-7700  
Fax: 905 270-7915  
Toll-free: 866 248 6660  
www.bdo.ca

BDO Canada LLP  
1 City Centre Drive, Suite 1700  
Mississauga ON L5B 1M2 Canada

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## Independent Auditor's Report

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### To the Members of Insurance Institute of Nova Scotia

We have audited the accompanying financial statements of the Insurance Institute of Nova Scotia ("the Institute") which comprise the balance sheet as at March 31, 2017 and the statements of revenue and expenditures and fund balance - general fund, revenue and expenditures and fund balance - CIP society fund 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 the Institute as at March 31, 2017 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.

**BDO CANADA LLP**

Chartered Professional Accountants, Licensed Public Accountants  
Mississauga, Ontario  
April 28, 2017

**Insurance Institute of Nova Scotia**  
**Balance Sheet**

**March 31** **2017** **2016**

**Assets**

**Current**

Cash	\$	74,838	\$	63,008
Accounts receivable				
- trade		29,103		13,688
- The Insurance Institute of Canada		3,628		3,100
Prepaid expenses		14,814		7,582
		122,383		87,378

Capital assets (Note 2)		3,582		4,234
	\$	125,965	\$	91,612

**Liabilities and Fund Balances**


**Current**

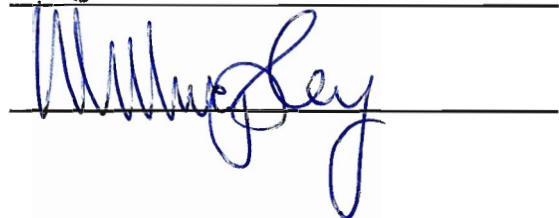
Accounts payable				
- trade	\$	35,775	\$	22,278
- The Insurance Institute of Canada		25,259		21,937
Due to The Insurance Institute of Canada		22,636		8,834
Deferred revenue		31,713		27,329
		115,383		80,378

**Fund Balances**

Funds Invested in Capital Assets		3,582		4,234
General Fund		2,000		2,000
CIP Society Fund		5,000		5,000
		10,582		11,234
	\$	125,965	\$	91,612

On behalf of the Governing Council:

  
 \_\_\_\_\_ Director

  
 \_\_\_\_\_ Director

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



**Insurance Institute of Nova Scotia**  
**Statement of Revenue and Expenditures and Fund Balance - General Fund**

<b>For the year ended March 31</b>	<b>2017</b>	<b>2016</b>
<b>Revenue</b>		
CIP program	\$ 199,808	\$ 186,279
Convocation	26,940	25,615
Grants - The Insurance Institute of Canada		
- Examinations	1,584	1,230
Interest	437	-
Licensing	63,000	-
Membership fees	102,352	99,952
Supplementary education program	20,326	26,325
Social events	25,114	24,386
Subscriptions	-	2,100
	<b>439,561</b>	<b>365,887</b>
<b>Expenditures</b>		
Advertising	3,331	3,283
Bank charges	7,421	8,380
CIP program	127,706	122,952
Committee	1,936	1,998
Convocation	20,080	20,399
Equipment rental	1,509	636
Insurance	1,773	1,650
Licensing	50,124	-
Management fees	7,001	7,747
Membership services	104	69
Office	3,373	3,115
Postage and printing	901	1,009
Professional fees	4,500	4,500
Rent	41,598	42,105
Salary and benefits	110,498	103,132
Social events	17,556	17,403
Supplementary education program	10,097	12,926
Telephone	4,113	3,866
Travel	4,534	3,015
	<b>418,155</b>	<b>358,185</b>
<b>Excess of revenue over expenditures for the year before transfer to The Insurance Institute of Canada</b>	<b>21,406</b>	<b>7,702</b>
<b>Transfer to The Insurance Institute of Canada</b>	<b>(21,406)</b>	<b>(7,702)</b>
<b>Excess of revenue over expenditures for the year</b>	<b>-</b>	<b>-</b>
<b>Fund balance, beginning and end of year</b>	<b>\$ 2,000</b>	<b>\$ 2,000</b>

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

**Insurance Institute of Nova Scotia**  
**Statement of Revenue and Expenditures and Fund Balance -**  
**CIP Society Fund**

<b>For the year ended March 31</b>	<b>2017</b>	<b>2016</b>
<b>Revenue</b>		
Professional development	\$ 50	\$ 3,303
Social events	24,575	25,388
Donations	13,150	11,050
	<u>37,775</u>	<u>39,741</u>
<b>Expenditures</b>		
Professional development	-	1,231
Social events	26,673	26,294
Advertising and promotions	1,348	2,652
Management fees	2,052	1,459
Marketing	6,472	6,973
	<u>36,545</u>	<u>38,609</u>
<b>Excess of revenue over expenditures for the year before transfer to The Insurance Institute of Canada</b>	<b>1,230</b>	<b>1,132</b>
<b>Transfer to The Insurance Institute of Canada</b>	<u><b>(1,230)</b></u>	<u><b>(1,132)</b></u>
<b>Excess of revenue over expenditures for the year</b>	<b>-</b>	<b>-</b>
<b>Fund balance, beginning and end of year</b>	<b>\$ 5,000</b>	<b>\$ 5,000</b>

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

**Insurance Institute of Nova Scotia**  
**Statement of Cash Flows**

<b>For the year ended March 31</b>	<b>2017</b>	<b>2016</b>
<b>Cash was provided by (used in)</b>		
<b>Operating activities</b>		
Excess of revenue over expenditures for the year		
- General operations	\$ -	\$ -
- CIP Society	-	-
Adjustments to reconcile excess of revenue over expenditures for the year to cash provided by operations		
Changes in non-cash working capital balances		
Accounts receivable	(15,943)	18,786
Prepaid expenses	(7,232)	(5,781)
Accounts payable	16,819	13,299
Deferred revenue	4,384	3,398
	<u>(1,972)</u>	29,702
<b>Financing activity</b>		
Due to The Insurance Institute of Canada	<u>13,802</u>	(31,096)
<b>Net change in cash during the year</b>	<b>11,830</b>	<b>(1,394)</b>
<b>Cash, beginning of year</b>	<u><b>63,008</b></u>	<u>64,402</u>
<b>Cash, end of year</b>	<b>\$ 74,838</b>	<b>\$ 63,008</b>

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

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# Insurance Institute of Nova Scotia

## Notes to Financial Statements

March 31, 2017

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### 1. Significant Accounting Policies

<b>Purpose of Organization</b>	<p>The Institute is an incorporated non-profit organization that is dedicated to providing educational courses and resources to the insurance industry of Nova Scotia.</p> <p>The Institute is a non-profit organization and, as such, is exempt from income tax.</p>						
<b>Basis of Accounting</b>	<p>These financial statements have been prepared using Canadian accounting standards for not-for-profit organizations.</p>						
<b>Revenue Recognition</b>	<p>The Institute follows the deferral method of accounting for contributions and uses fund accounting. There are no assets or liabilities attributed to the CIP Society Fund.</p> <p>Membership fee revenue is recognized over the term of the membership period. Course, seminar and other event revenues are recognized upon completion of the event. Other revenues are recognized upon provision of the goods or service. Deferred revenue arises when payment is received before the related goods or services are provided. Unrestricted grant revenue is recognized when received or receivable in the current period with no deferral. Restricted grant revenue is recognized in the period to which it relates or as related specific expenses are incurred.</p>						
<b>Capital Assets</b>	<p>Capital assets are recorded at cost less accumulated amortization. Amortization based on the estimated useful life of the asset is charged directly to Funds Invested in Capital Assets as follows:</p> <table><tr><td>Computer equipment</td><td></td></tr><tr><td>and software</td><td>- 4 years straight line basis</td></tr><tr><td>Furniture and fixtures</td><td>- 10 years straight line basis</td></tr></table>	Computer equipment		and software	- 4 years straight line basis	Furniture and fixtures	- 10 years straight line basis
Computer equipment							
and software	- 4 years straight line basis						
Furniture and fixtures	- 10 years straight line basis						
<b>Funds Invested in Capital Assets</b>	<p>The Funds Invested in the Capital Assets account represents funds used for the acquisition of capital assets. All amortization of capital assets is charged directly to this fund. In the current year, amortization was \$652 (2016 - \$901).</p>						

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## Insurance Institute of Nova Scotia

### Notes to Financial Statements

March 31, 2017

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#### 1. Significant Accounting Policies (continued)

##### General Fund

The General Fund of the Institute is maintained at an amount of \$2,000 as agreed upon with The Insurance Institute of Canada. The balance of the general fund over the above \$2,000 becomes payable to The Insurance Institute of Canada with the exception of additional agreed amounts appropriated to reserve accounts.

Any operating deficit is potentially recoverable from The Insurance Institute of Canada subject to review and approval by the Executive Finance Committee in accordance with the Provincial Institute Financing Guidelines.

##### CIP Society Fund

The Insurance Institute of Canada's Executive Committee gave approval to the Institutes to establish a Chartered Insurance Professional (CIP) Society Fund with the following criteria:

- 1) Any surplus generated by the CIP Society activities will be returned to the Insurance Institute of Canada (IIC).
- 2) Support for CIP Society activities is made through the partial redistribution of the transfer of surpluses generated by the CIP Society activities, as approved by IIC's Executive Committee. Payment to the Institutes is to be made in the form of an Agreed Maximum Retention.
- 3) The Agreed Maximum Retention by Institutes are as follows:
  - a) Agreed Maximum Retention amount of \$5,000 for each Institute.
  - b) Institutes with chapters may retain an additional maximum amount of \$1,000 per chapter.
- 4) If the Institute incurs an Operating Deficit in its CIP Society, it may apply to IIC's Executive Committee for consideration to retire the deficit and restore its Agreed Maximum Retention.

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## Insurance Institute of Nova Scotia

### Notes to Financial Statements

**March 31, 2017**

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#### 1. Significant Accounting Policies (continued)

##### 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 at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

##### Financial Instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial instruments are reported at cost or amortized cost less impairment, if applicable. Financial assets are tested for impairment when changes in circumstances indicate the asset could be impaired. Transaction costs on the acquisition, sale or issue of financial instruments are charged to the financial instrument for those measured at amortized cost.

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#### 2. Capital Assets

		<b>Accumulated</b>		<b>2017</b>	<b>2016</b>
	<b>Cost</b>	<b>Amortization</b>	<b>Cost</b>	<b>Net Book</b>	<b>Net Book</b>
				<b>Value</b>	<b>Value</b>
Computer equipment and software	\$ 2,575	\$ 2,575	\$ -	\$ -	
Furniture and fixtures	9,013	5,431	3,582	4,234	
	\$ 11,588	\$ 8,006	\$ 3,582	\$ 4,234	

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#### 3. Commitments

The Institute has leased office space from October 1, 2012 for \$22,066 annually until September 2022.

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## Insurance Institute of Nova Scotia

### Notes to Financial Statements

**March 31, 2017**

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#### **4. Financial Instrument Risk**

##### **Credit risk**

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Institute is exposed to credit risk resulting from the possibility that a customer or counterparty to a financial instrument defaults on their financial obligations; if there is a concentration of transactions carried out with the same counterparty; or of financial obligations which have similar economic characteristics such that they could be similarly affected by changes in economic conditions. The Institute's financial instruments that are exposed to concentrations of credit risk relate primarily to its accounts receivable. The Institute provides credit to its clients in the normal course of its operations. The Institute mitigates credit risk on its receivables through limiting its exposure to any one customer.

There have not been any changes in the risk from the prior year.

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#### **5. Comparative Figures**

The prior year comparative figures have been restated to conform to the current year's presentation.