

**Public Accountants Licensing Board
Financial Statements
December 31, 2014**

Public Accountants Licensing Board

December 31, 2014

CONTENTS

| | <u>Page</u> |
|-----------------------------------|-------------|
| Financial Statements | |
| Independent Auditor's Report | 1 |
| Statement of Financial Position | 2 |
| Statement of Operations | 3 |
| Statement of Retained Earnings | 4 |
| Statement of Cash Flows | 5 |
| Notes to the Financial Statements | 6 |

Independent Auditor's Report

Coombs & Associates

Chartered Professional Accountants

To the Board of Directors
Public Accountants Licensing Board

We have audited the accompanying financial statements of Public Accountants Licensing Board, which comprise the statement of financial position as at December 31, 2014 and the Statements of operations, retained earnings and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

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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 private enterprises, 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.

Auditors' 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 auditors' 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 Public Accountants Licensing Board as at December 31, 2014 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for private enterprises.

The comparative figures were audited by another firm of Chartered Professional Accountants.


Chartered Professional Accountants

Mount Pearl, Newfoundland and Labrador
June 05, 2015

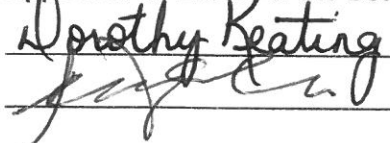
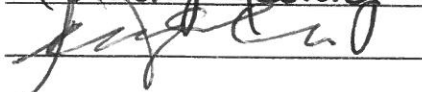


Public Accountants Licensing Board

Statement of Financial Position
December 31, 2014

| | 2014 | 2013 |
|--|------------------|------------------|
| Assets | | |
| Current Assets | | |
| Cash and cash equivalents | \$ 72,690 | \$ 47,891 |
| HST receivable | 4,793 | 2,199 |
| Prepaid expenses | 1,382 | 1,382 |
| | 78,865 | 51,472 |
| Long term investments | - | 25,550 |
| | \$ 78,865 | \$ 77,022 |
| Liabilities and Equity | | |
| Current Liabilities | | |
| Accounts payable and accrued liabilities | \$ 11,463 | \$ 7,284 |
| Deferred revenue | 10,040 | 11,800 |
| | 21,503 | 19,084 |
| Equity | | |
| Retained earnings | 57,362 | 57,938 |
| | \$ 78,865 | \$ 77,022 |

Approved on Behalf of the Board:

 Director
 Director

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

Public Accountants Licensing Board

Statement of Operations

For the Year Ended December 31, 2014

| | 2014 | 2013 |
|--|-----------------|-----------------|
| Revenue | | |
| Licenses | \$ 27,840 | \$ 26,320 |
| Investment income | 453 | 843 |
| | 28,293 | 27,163 |
| Operating expenditures | | |
| Professional fees | 11,834 | 4,910 |
| Travel expenses | 5,662 | 1,334 |
| Secretarial services | 4,620 | 5,320 |
| Insurance | 2,950 | 688 |
| Office stationery and supplies | 1,859 | 4,109 |
| Rent | 1,720 | 900 |
| Interest and bank charges | 224 | 201 |
| Advertising | - | 753 |
| | 28,869 | 18,215 |
| Excess of (expenditures over revenues) revenues over expenditures | \$ (576) | \$ 8,948 |

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

Public Accountants Licensing Board

Statement of Retained Earnings
For the Year Ended December 31, 2014

| | 2014 | 2013 |
|---|------------------|------------------|
| Retained earnings, beginning of year | \$ 57,938 | \$ 48,990 |
| Excess of (expenditures over revenues) revenues over expenditures | (576) | 8,948 |
| Retained earnings, end of year | \$ 57,362 | \$ 57,938 |

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

Public Accountants Licensing Board

Statement of Cash Flows

For the Year Ended December 31, 2014

| | 2014 | 2013 |
|---|------------------|------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES: | | |
| Excess of (expenditures over revenues) revenues over expenditures | \$ (576) | \$ 8,948 |
| Changes in non-cash working capital | | |
| HST receivable | (2,595) | (1,665) |
| Prepaid expenses | - | (1,382) |
| Accounts payable | 4,180 | (847) |
| Deferred revenue | (1,760) | 11,800 |
| TOTAL CASH FLOWS FROM OPERATING ACTIVITIES | (751) | 16,854 |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | |
| Decrease (increase) in investments | 25,550 | (440) |
| Net increase in cash and cash equivalents | 24,799 | 16,414 |
| Cash and cash equivalents at beginning of year | 47,891 | 31,477 |
| Cash and cash equivalents at end of year | \$ 72,690 | \$ 47,891 |

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

Public Accountants Licensing Board

Notes to the Financial Statements
For the Year Ended December 31, 2014

1. Significant Accounting Policies

Authority

Public Accountants Licensing Board (the "Board") was established under the authority of the Public Accountancy Act. The powers of the Board include granting licenses to practice as a public accountant under the Act, keeping a roll of persons licensed, and prescribing the educational standards and other qualifications of applicants for a license. A new Act, Public Accountants Act, was proclaimed on June 10, 2011.

Basis of accounting

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles for private enterprises.

Financial instruments

The Board recognizes and measures financial assets and financial liabilities on the balance sheet when it becomes a party to the contractual provisions of a financial instrument. All transactions related to financial instruments are recorded at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

Income taxes

The Board is a Crown entity of the Province of Newfoundland and Labrador and as such is not subject to income tax.

Revenue recognition

Revenue is recognized at the time services are provided. Revenue collected on licenses in advance is deferred and taken into income as the services are provided.

Use of estimates

The preparation of financial statements in accordance with Canadian accounting standards for private enterprises requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent 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 those estimates and may have impact on future periods.

Public Accountants Licensing Board

Notes to the Financial Statements
For the Year Ended December 31, 2014

2. Subsequent event

Subsequent to year end, on January 9, 2015, the Province of Newfoundland and Labrador proclaimed the Chartered Professional Accountants and Public Accountants Act (the "Act") and repealed the Public Accountants Act. Under this new Act the Association of Chartered Professional Accountants of Newfoundland and Labrador (the "Association") will be incorporated as the self-governing professional organization regulating public accounting in Newfoundland and Labrador.

With proclamation of the Act the Board will be dissolved on January 8, 2015. In accordance with the transitional provisions of the Act the assets and liabilities of the the Board, as it existed immediately before the proclamation of the Act, will be transferred to and vested in the Association. Likewise, any agreements entered into by the Board will assigned to the Association and any action, appeal, application or other proceeding being carried on or power or remedy being exercised with respect to the operations of the Board will continue in the name of the Association.