

**Architectural Institute of British Columbia**  
**Financial Statements**  
*December 31, 2025*

To the Board of Architectural Institute of British Columbia:

## Opinion

We have audited the financial statements of the Architectural Institute of British Columbia (the "Institute"), which comprise the statement of financial position as at December 31, 2025, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Institute as at December 31, 2025, 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.

## Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Institute in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the Institute's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Institute or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Institute's financial reporting process.

## Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Institute's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Institute's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Institute to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Surrey, British Columbia

April 17, 2026

*MNP LLP*

Chartered Professional Accountants

# Architectural Institute of British Columbia

## Statement of Financial Position

*As at December 31, 2025*

	<b>2025</b>	<b>2024</b>
<b>Assets</b>		
<b>Current</b>		
Cash	1,181,373	1,169,427
Accounts receivable (Note 3)	306,440	378,534
Supplies	24,841	32,479
Prepaid expense	93,218	69,424
	<b>1,605,872</b>	1,649,864
Restricted cash (Note 4)	1,900,693	1,852,793
Long-term receivable - rent	-	6,310
Deferred charges (Note 5)	3,787	11,359
Tangible capital assets (Note 6)	2,749,173	2,834,529
Intangible assets (Note 7)	538,625	591,566
	<b>6,798,150</b>	6,946,421
<b>Liabilities</b>		
<b>Current</b>		
Accounts payable and deposits (Note 8)	773,848	683,441
Deferred revenue	1,939,161	1,788,549
	<b>2,713,009</b>	2,471,990
<b>Net Assets</b>		
Operating Fund	2,184,448	2,621,638
Contingency Reserve Fund	600,000	600,000
Legal Reserve Fund	300,693	252,793
Operating Reserve Fund	1,000,000	1,000,000
	<b>4,085,141</b>	4,474,431
	<b>6,798,150</b>	6,946,421
<b>Approved on behalf of the Board</b>		
e-Signed by Sean Rodrigues 2026-04-15 14:38:01:01 PDT <b>Sean Rodrigues, Architect AIBC</b> <b>Board Chair</b>	e-Signed by Ann McLean 2026-04-15 16:58:35:35 PDT <b>Ann McLean, Architect AIBC</b> <b>Treasurer</b>	

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

# Architectural Institute of British Columbia

## Statement of Operations

*For the year ended December 31, 2025*

	<b>2025</b>	<b>2024</b>
<b>Revenue</b>		
Fees	4,402,201	4,164,828
Professional Services	559,950	899,784
Registration and licensing	478,408	259,497
Annual conference	122,920	360,000
Premises	185,724	185,724
Interest/Other/Fines	121,110	182,465
Conduct and illegal practice	35,500	67,059
Government grant funded projects	-	7,593
	<b>5,905,813</b>	<b>6,126,950</b>
<b>Expenses</b>		
Professional Services	743,879	768,598
Registration and licensing	1,156,438	1,033,126
Annual conference	32,154	341,400
Premises	635,416	543,171
Interest/Other/Fines	23,961	29,067
Conduct and illegal practice	735,275	629,430
Administration	2,309,362	2,282,330
Communications	301,214	312,770
Board	357,404	323,775
Government grant funded projects	-	7,593
	<b>6,295,103</b>	<b>6,271,260</b>
<b>Deficiency of revenue over expenses</b>	<b>(389,290)</b>	<b>(144,310)</b>

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

**Architectural Institute of British Columbia**  
**Statement of Changes in Net Assets**

*For the year ended December 31, 2025*

	<i>Operating Fund</i>	<i>Contingency Reserve Fund</i>	<i>Legal Reserve Fund</i>	<i>Operating Reserve Fund</i>	<b>2025</b>	<b>2024</b>
<b>Fund balance, opening</b>	2,621,638	600,000	252,793	1,000,000	4,474,431	4,618,741
<b>Deficiency of revenue over expenses</b>	(389,290)	-	-	-	(389,290)	(144,310)
<b>Transfer to Legal Reserve Funds (Note 11)</b>	(47,900)	-	-	-	(47,900)	-
<b>Transfer from Operating Fund (Note 11)</b>	-	-	47,900	-	47,900	-
<b>Net assets, end of year</b>	2,184,448	600,000	300,693	1,000,000	4,085,141	4,474,431

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

# Architectural Institute of British Columbia

## Statement of Cash Flows

*For the year ended December 31, 2025*

	<b>2025</b>	<b>2024</b>
<b>Cash provided by (used for) the following activities</b>		
<b>Operating</b>		
Deficiency of revenue over expenses	(389,290)	(144,310)
Amortization of tangible capital assets	127,541	122,435
Amortization of intangible assets	74,878	66,484
Amortization of deferred charges	7,572	7,572
	<b>(179,299)</b>	<b>52,181</b>
Changes in working capital accounts		
Accounts receivable	72,094	191,206
Long-term receivable - rent	6,310	12,529
Supplies	7,638	1,079
Prepaid expenses	(23,794)	(3,555)
Accounts payable and deposits	90,407	(171,214)
Deferred revenue	150,612	108,511
	<b>123,968</b>	<b>190,737</b>
<b>Investing</b>		
Purchase of tangible capital assets	(42,185)	(20,636)
Purchase of intangible assets	(21,937)	(71,001)
	<b>(64,122)</b>	<b>(91,637)</b>
<b>Increase in cash resources</b>	<b>59,846</b>	<b>99,100</b>
<b>Cash resources, beginning of year</b>	<b>3,022,220</b>	<b>2,923,120</b>
<b>Cash resources, end of year</b>	<b>3,082,066</b>	<b>3,022,220</b>
<b>Cash resources are composed of:</b>		
Cash	1,181,373	1,169,427
Restricted cash	1,900,693	1,852,793
	<b>3,082,066</b>	<b>3,022,220</b>

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

# Architectural Institute of British Columbia

## Notes to the Financial Statements

*For the year ended December 31, 2025*

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### 1. Incorporation and nature of the organization

The Architectural Institute of British Columbia (the "Institute") is a self-governing professional body. The Institute was incorporated under the Friendly Societies Act in 1914 and continued under the Architects Act of British Columbia in 1920, with transition to the Professional Governance Act in 2023.

The Institute provides regulation, education and other services to its registrants in the public interest. The Institute is exempt from income tax under Section 149 of the Income Tax Act.

### 2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations set out in Part III of the CPA Canada Handbook - Accounting, as issued by the Accounting Standards Board in Canada and include the following significant accounting policies:

#### ***Fund accounting***

The Institute follows the deferral method of accounting for contributions and reports using fund accounting, and maintains four funds: Operating Fund, Contingency Reserve Fund, Legal Reserve Fund, and Operating Reserve Fund.

The Operating Fund is used for general budgeted revenues and expenditures, capital expenditures, and other unspecified, unbudgeted financial needs.

Contingency Reserve Fund is used to provide for unanticipated and emergency financial requirements.

Legal Reserve Fund is used to provide for material, significant, and unexpected legal costs.

Operating Reserve Fund is used to provide for operating expenditures in the case of a shortfall in the Operating Fund.

#### ***Restricted cash***

Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

#### ***Tangible capital assets***

Purchased capital assets are recorded at cost.

Amortization is provided using the declining balance method at rates intended to amortize the cost of assets over their estimated useful lives. On an annual basis management reviews the amortization method and estimates of useful lives of all tangible capital assets.

	<b>Term</b>
Buildings	40 years
Computer equipment	5 years
Furniture and fixtures	10 years
Office equipment	5 years

#### ***Intangible asset***

The intangible asset consists of computer software, which is carried at cost less accumulated amortization. Amortization is calculated based on the useful life of the asset using the straight-line method over 10 years. On an annual basis management reviews the amortization method and estimates of useful lives of intangible assets.

#### ***Long-lived assets***

Long-lived assets consist of tangible capital assets and intangible assets with finite useful lives. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The Institute writes down long-lived assets held for use when conditions indicate that the asset no longer contributes to the Institute's ability to provide goods and services. The assets are also written-down when the value of future economic benefits or service potential associated with the asset is less than its net carrying amount. When the Institute determines that a long-lived asset is impaired, its carrying amount is written down to the asset's fair value.

**2. Significant accounting policies** *(Continued from previous page)*

***Deferred charges***

Deferred charges consist of lease commissions, which are amortized on a straight-line basis over the term of the related lease.

***Donated goods and services***

The Institute and its registrants benefit from donated goods and services. Due to the difficulty in estimating their fair values, donated goods and services are not recognized in these financial statements.

***Revenue recognition***

The Institute applies the deferral method of accounting for contributions and reports on a fund accounting basis. Restricted contributions from the Province of British Columbia are recognized in the year in which the related project expenditures are incurred. Any unspent funds are to be repaid to the Province.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

Revenue from course and examination fees and from other programs is recognized as revenue when the courses, examinations and other services are completed.

Other revenue earned for registrant and firm fees are recognized as revenue in the year to which they apply. Fees collected in advance that relate to the next fiscal year are recorded as deferred revenue.

Settlement payments and fines are recognized when their collection is assured and all of the Institute's internal processes and any known external appeals are complete.

Rental revenue is recognized on a straight-line basis over the term of the lease.

Interest and other revenue are recorded when earned.

***Employee future benefits***

The Institute and its employees make contributions to the Public Service Pension Plan, which is a multi-employer defined benefit plan, providing a pension on retirement based on the member's age at retirement, length of service and highest earnings averaged over five years. Inflation adjustments are contingent upon available funding. As the assets and liabilities of the plan are not segregated by institution, the plan is accounted for as a defined contribution plan and any contributions of the Institute to the plan are recognized as expenditures as incurred.

***Measurement uncertainty (use of estimates)***

The preparation of financial statements in conformity 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 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.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of tangible capital assets and intangible assets.

By their nature, these judgments are subject to measurement uncertainty, and the effect on the financial statements of changes in such estimates and assumptions in future years could be significant. These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenues over expenses in the year in which they become known.

**Architectural Institute of British Columbia**  
**Notes to the Financial Statements**  
*For the year ended December 31, 2025*

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**2. Significant accounting policies** *(Continued from previous page)*

**Financial instruments**

The Institute recognizes financial instruments when the Institute becomes party to the contractual provisions of the financial instrument.

**Arm's length financial instruments**

Financial instruments originated/acquired or issued/assumed in an arm's length transaction ("arm's length financial instruments") are initially recorded at their fair value.

The Institute subsequently measures financial instruments at amortized cost.

Transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

**Related party financial instruments**

The Institute measures all related party financial instruments at cost on initial recognition. When the financial instrument has repayment terms, cost is determined using the undiscounted cash flows, excluding interest, dividend, variable and contingent payments, less any impairment losses previously recognized by the transferor. When the financial instrument does not have repayment terms, but the consideration transferred has repayment terms, cost is determined based on the repayment terms of the consideration transferred. When the financial instrument and the consideration transferred both do not have repayment terms, the cost is equal to the carrying or exchange amount of the consideration transferred or received.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of related party financial instruments are immediately recognized in excess of revenues over expenses.

**Financial asset impairment**

The Institute assesses impairment of all its financial assets measured at cost or amortized cost. Management considers whether the issuer is having significant financial difficulty or whether there has been a breach in contract, such as a default or delinquency in interest or principal payments in determining whether objective evidence of impairment exists. When there is an indication of impairment, the Institute determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year.

The Institute reduces the carrying amount of any impaired financial assets to the highest of: the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets at the statement of financial position date; and the amount expected to be realized by exercising any rights to collateral held against those assets.

Any impairment, which is not considered temporary, is included in current year excess of revenues over expenses.

The Institute reverses impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment loss was recognized. The amount of the reversal is recognized in excess of revenues over expenses in the year the reversal occurs.

**3. Accounts receivable**

	2025	2024
Accounts receivable	629,363	655,943
Current portion of rent receivable	6,310	9,775
	635,673	665,718
Allowance for doubtful accounts	(329,233)	(287,184)
	306,440	378,534

**Architectural Institute of British Columbia**  
**Notes to the Financial Statements**  
*For the year ended December 31, 2025*

**4. Restricted cash**

The restricted cash is held for the following funds:

	2025	2024
<b>Restricted cash</b>		
Contingency Reserve Fund	600,000	600,000
Legal Reserve Fund	300,693	252,793
Operating Reserve Fund	1,000,000	1,000,000
<b>Total</b>	<b>1,900,693</b>	<b>1,852,793</b>

**5. Deferred charges**

	2025	2024
Deferred lease commissions	75,721	75,721
Accumulated amortization	(71,934)	(64,362)
	<b>3,787</b>	<b>11,359</b>

**6. Tangible capital assets**

	2025	2024	2025	2024
	<i>Cost</i>	<i>Accumulated amortization</i>	<i>Net book value</i>	<i>Net book value</i>
Land	815,720	-	815,720	815,720
Buildings	3,810,969	1,974,580	1,836,389	1,931,663
Computer equipment	452,811	398,767	54,044	29,200
Furniture and fixtures	266,030	226,331	39,699	51,946
Office equipment	180,031	176,710	3,321	6,000
	<b>5,525,561</b>	<b>2,776,388</b>	<b>2,749,173</b>	<b>2,834,529</b>

The total amortization of tangible capital assets for the year was \$127,541 (2024 - \$122,435) and is included in premises expense on the statement of operations.

**7. Intangible asset**

	2025	2024
<b>Computer software</b>		
Cost	1,151,140	1,129,203
Accumulated amortization	(612,515)	(537,637)
	<b>538,625</b>	<b>591,566</b>

**Architectural Institute of British Columbia**  
**Notes to the Financial Statements**  
*For the year ended December 31, 2025*

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**8. Accounts payable**

Accounts payable consist of the following:

	<b>2025</b>	2024
Accounts payable and accrued liabilities	<b>698,248</b>	615,682
Government remittances payable	<b>75,600</b>	67,759
	<b>773,848</b>	683,441

**9. Employee future benefits**

The Institute and its employees contribute to the Public Service Pension Plan (the "Plan"), a multi-employer pension plan. The Plan's Board of Trustees, representing Plan members and employers, is responsible for overseeing the management of the Plan, including the investment of the assets and administration of the benefits. The Plan is a defined benefit plan. It has approximately 79,532 active members, 26,738 inactive members and 57,519 retired members.

Every three years an actuarial valuation is performed to assess the financial position of the Plan and the adequacy of Plan funding. The most recent valuation as at March 31, 2023 identifies a surplus of \$3 billion for basic pension benefits. The Institute paid \$285,971 (2024 - \$278,634) of employer contributions to the plan in fiscal 2025.

**10. Line of credit**

The Institute has available a demand operating line of credit of \$450,000, which bears interest at Royal Bank prime plus 1% per annum. As at December 31, 2025, no amounts are drawn on this line of credit.

The line of credit is secured by:

- a general security agreement having a first charge on all the Institute's assets; and,
- a collateral first mortgage including an assignment of rent in the amount of \$700,000 covering Strata Lots 17 and 18, 440 Cambie Street, Vancouver, B.C.

**11. Interfund transactions**

Interfund transfers include interest on the cash restricted for the reserve funds and other transfers for the purpose of financing the activities of each fund. Other transfers require board approval per Architectural Institute of British Columbia Board Policy 3.3.

**12. Financial instruments**

The Institute, as part of its operations, carries a number of financial instruments. It is management's opinion that the Institute is not exposed to significant interest, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed.

***Credit Risk***

Credit risk is the risk of financial loss because a counter party to a financial instrument fails to discharge its contractual obligations.

The Institute is exposed to credit risk in connection with its cash and receivables. Cash is held with large, reputable financial institutions where credit risk is low. The Institute provides credit to its registrants in the normal course of its operations, and maintains an allowance for doubtful accounts that reflects management's best judgment based on reasonable and supportable assumptions taking into account the likely range of possible outcomes.

***Liquidity risk***

Liquidity risk is the risk that the Institute will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Institute manages its liquidity risk by monitoring its operating requirements. The Institute prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations.