

2012



Human Resources
Professionals
Association

CONTENTS

Key Statistics.....	3
Message from the Chair.....	4
Message from the CEO	6
Office of the Registrar.....	8
Regulatory Affairs	9
Public Affairs	10
Membership	11
Communications.....	12
Professional Development, Events and Sponsorship	13
Volunteer Recognition.....	15
Board Relations and Association Governance.....	16
Auditors' Report on Summarized Financial Statements	18
Balance Sheets.....	19
Statements of Operations.....	20
Financial Overview.....	21
Board of Directors and Senior Management.....	23

KEY STATISTICS

(as at November 30th)	2012	2011	2010
Financial Performance (\$'s)			
Revenue	11,983,292	11,846,335	12,930,474
Operating Surplus (deficiency)	(329,495)	(976,340)	1,230,418
Investment Income	192,841	74,439	336,009
Net Assets	5,324,490	5,461,144	6,363,045
Membership			
SHRPs (counts included in other categories)	148	135	108
CHRP	9,396	8,990	8,675
Practitioners	4,512	4,178	4,551
General	2,094	1,981	2,119
Part-time Students	487	696	917
Full-time Students	3,351	3,282	2,621
HR IEP	79	81	53
Allied Professionals	69	86	90
Total	19,988	19,513	19,026
Growth Rate (year-over-year)	2.4%	2.6%	5.4%
On-time Renewal Rate	87%	88%	82%
Retention Rate	90%	90%	85%
Satisfaction Index [Scale 1 (low) to 6 (high)]	4.44	4.15	4.15
Professional Development & Events			
Annual Conference Attendance	2,880	2,513	2,243
Other Professional Development Attendance	2,876	3,911	2,751

MESSAGE FROM THE CHAIR



“Everything we do—from the micro to the macro—is to advance our members’ careers and prepare them for a future that will demand so much from the HR profession.”

Last year's *CanadaWorks 2025* report—a joint HRP/ADeloitte study focusing on the future of work in Canada—introduced us to Louis Grimson, EVP operations at international R&D firm Tormedica and Salimah Shah, a 23-year-old software engineer.

These two fictional characters put a human face to the three future workplace scenarios laid out in *CanadaWorks: The Lost Decade, Unsustainable Prosperity and The Northern Tiger*.

The first two scenarios are grim—especially for Salimah, the young engineer. The Lost Decade finds her desperately bidding for a few hours of programming work and hoping for a permanent job in a Canada with high unemployment and lost competitive advantage. In *Unsustainable Prosperity* she uses her education from a top Indian university to test code in a mundane job in a Canada that's locked in jobless recovery and heavily reliant on the resource sector.

But when we meet Salimah again in a Northern Tiger future, she's leading a Tormedica team creating medical design software during a Canadian renaissance where schools turn out graduates to fill jobs in booming niche sectors like mining finance, financial analytics and data centres; business and governments are adopting the latest technology; and infrastructure and labour policy has been created to improve mobility and support new modes of work.

Northern Tiger: HR's Role

Obviously, the scenario Canada needs to strive for is this Northern Tiger future.

Charting Canada towards this gilded future means government and business must start work now to set us in the right direction by modernizing education, reforming immigration and investing in industry excellence and infrastructure for access to talent.

Human Resources professionals have a huge role to play in creating this future and must be directly involved in discussions around: improving employment flexibility (including trade-offs between employees and employers); how to best position the Employment Standards Act (ESA) moving forward; adjustments to consider for an aging workforce like pension incentives, phased retirements and self-paced work; and how best to introduce innovative labour management partnerships.

Human Resource's voice will ensure that as political and business leaders map the path to a prosperous future, they will be guided by appropriate HR principles and practices. Through thoughtful dialogue and debate, HR professionals can help shape Canada's future, influencing policy before it's finalized. More importantly, human resources professionals can not only help employers and employees manage the changes to come, but can act as a catalyst for change right from the start.

HRPA: Building the future

So what is HRP/ADeloitte doing to help make this a reality? A big part of our recent work has been building an Association that meets the needs of members and their organizations whatever the future holds. Key to this is our ongoing work to modernize

our professional regulation statute. As business practices, economic conditions, workforce composition and employee expectations all become more complex and inter-related, so have demands on the professionalism of HRP/ADeloitte members. An upgraded public act is vital to enhance public protection and to strengthen HRP/ADeloitte's ability to provide the oversight necessary to meet the demands of members and Ontario business.

HRPA has also been busy upgrading its own regulatory framework, with governance training rolled out across the Association's 28 chapter boards.

And as a member of the Canadian Council of Human Resources Associations, HRP/ADeloitte has been reviewing the Required Professional Capabilities—the professional building blocks of a Certified Human Resources Professional—to ensure they meet the needs of rapidly changing HR practice.

Everything we do—from the micro to the macro—is to advance our members' careers and prepare them for a future that will demand so much from the HR profession.

Daphne Fitzgerald

Chair, HRP/ADeloitte

MESSAGE FROM THE CEO



“All in all, 2012 was a very busy and productive year. Between our committed staff, engaged volunteers and sound financial foundation, we are well positioned for the challenges and opportunities ahead.”

In the 2011 Annual Report, I discussed how the new three-year strategic plan aimed to transition HRP from “doing things right” and building on that strong foundation, to a more aspirational future focused on “doing the right things”—with greater focus on HRP’s three strategic pillars: enriching the member experience, protecting the public and expanding HRP influence.

Today we are more than a third of the way through this three-year plan and I am pleased to report that we are making great progress towards these goals.

HRP influence

In 2012, HRP released *CanadaWorks 2025*—a report, co-authored with Deloitte, examining the future of work and how decisions made today around education, immigration, employment and industry investment will dictate the country’s fortunes in 2025. The report attracted significant media coverage and caught the attention of government.

We consulted on the Ontario government’s proposed Family Caregiver Leave legislation and polled HR professionals’ opinion on the legislation. They came back in support of the bill and the research was cited at Queen’s Park.

And with support from the provincial government, we rolled out six new Accessibility for Ontarians with Disabilities Act (AODA) educational videos and created a Cultural Competency Training program to help organizations hire, retain and promote internationally educated professionals by improving organization-wide cultural competency.

Member Experience

In 2012 HRP introduced new tools and resources to advance member careers, including Career GPS—an online career management tool that lets members track their progress and shows what they need in terms of skills, experience or academic training to advance professionally.

In response to numerous requests from younger members, we introduced HRP Edge—a paid HR internship program for CHRP Candidates and registered 30 host organizations and over 200 prospective interns.

Either as a mentor or a protégé, mentoring is a big part of HRP membership. In 2012 we provided chapters with Mentor Scout—an online mentoring management application that has already more than doubled the number of members enrolled in chapter mentoring programs.

We significantly expanded our professional development offerings with Certificate Programs—intensive, multi-day programs that build skills and certify knowledge in a number of HR areas including compensation, labour relations, project management and financial management.

Protecting the public

In 2012 HRP continued its work establishing the Association as a Tier 1 regulator of the HR profession to better safeguard members and Ontario workers, as well as enhance member careers by providing greater credibility for the profession and our designations.

In support of this, in late 2011 we introduced Bill 28, *The Registered Human Resources Professionals Association Act*, at Queen’s Park with all-party support. The legislation enhances public protection and strengthens HRP’s ability to provide the regulatory oversight it needs to meet the demands of its members and Ontario business and to make an effective contribution in the development of future government policies that affect the profession in Ontario. While the legislature was prorogued, Bill 32, the *“Registered Human Resources Professionals Act, 2013”* was reintroduced in March 2013.

In 2012, the Association also did much to bolster its regulatory framework, including introduction of an enhanced public register, including details on members’ discipline history and conditions that may have been imposed on their registration. HRP also developed a Professional Regulation Practices Audit, published a regulatory framework document, updated policies around the complaints process, rules of procedure and hearings guidelines for HRP’s discipline committee.

All in all, 2012 was a very busy and productive year. Between our committed staff, engaged volunteers and sound financial foundation, we are well positioned for the challenges and opportunities ahead.

Bill Greenhalgh

CEO, HRP

OFFICE OF THE REGISTRAR

The Office of the Registrar is HRPAs regulatory hub. The object of HRPAs regulatory framework is to protect the public interest by ensuring that human resources professionals registered with and certified by HRPAs are competent and act in an ethical manner. In addition, the Registrar is responsible for maintaining the HRPAs public register, the official statutory list of all HRPAs members.

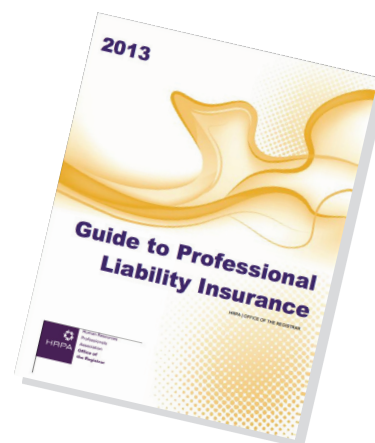
Public Register

In June, HRPAs online public register was enhanced as required by HRPAs By-laws with additional details on members' membership status, certification status, business contact information and discipline history. The enhanced register is an improvement over HRPAs first online public register which only included details such as member's name, member type and status. An online membership renewal process was also developed to capture the information required on the public register.



Professional liability insurance

HRPA reinforced the Association's 2009 professional liability insurance requirement for members who provide HR services as independent practitioners by strengthening the insurance product offered by affinity partner LaTurquoise Pro. The Office of the Registrar also produced an online Guide to Professional Liability Insurance and hosted free webinars on how to meet the requirement. The professional liability insurance requirement is now linked to HRPAs online public register.



HR Symposium

Last year, HRPAs held its second HR Symposium—a special event to promote dialogue between the Association and the HR academic community to prepare the next generation of HR professionals. The symposium hosted more than 30 HR academics from Ontario colleges and universities and featured a presentation on HRPAs *CanadaWorks 2025* report.

Updated policies and procedures

In 2012, HRPAs Office of the Registrar updated and implemented policies and/or procedures related to:

- *Validity timeframes for requirements to earn the CHRP designation -*
- *Reinstatement of former members*
- *Rules of Procedure and Hearings Guidelines for the Discipline Committee*
- *The Complaints process*

REGULATORY AFFAIRS

Pursuant to the *Human Resources Professionals Association of Ontario Act, 1990*, HRPA regulates and governs the conduct of members in the practice of their profession through the articulation and enforcement of a code of ethics, rules of professional conduct and standards of practice.

In 2012, HRPA made several enhancements in support of its regulatory mandate, including:

- *A multi-year plan for the evolution of HRPA's regulatory agenda was developed and presented at the December 2012 Board meeting.*
- *A Professional Regulation Practices Audit (a.k.a., the 'Gold Standard') was developed and will provide for the basis of an audit in 2013.*
- *First HRPA discipline proceeding which was fully compliant with Statutory Powers Procedure Act (SPPA) concluded in July. -*
- *New adjudicative training program for all HRPA Board members, adjudicative committees, and Office of the Registrar staff. Completion rate approached 90 per cent.*
- *Three-part webinar series on professional regulation delivered to record audiences. -*
- *The HRPA Regulatory Framework document was published.*
- *The professional liability insurance requirement was enhanced by linking it to the public register.*
- *HRPA's National Commission for Certifying Agencies (NCCA) accreditation for the CHRP designation was maintained.*
- *HRPA negotiated and implemented a service-level agreement (SLA) with the Canadian Council of Human Resources Associations (CCHRA) for the delivery of exam development and scoring services.*
- *With BC and Alberta, HRPA developed a new Mutual Recognition Agreement (MRA) for the CHRP designation for ratification by all provinces. This is now with CCHRA GNC for execution.*

PUBLIC AFFAIRS

HRPA's Office of Public Affairs is responsible for monitoring public policy, legislative and regulatory initiatives, as well as serving as chief liaison to the Ontario government.

In 2012, the Office of Public Affairs did much to advance its mission to be viewed as a trusted advisor to government and ensure the Association maintains an open dialogue with elected officials and key stakeholders in a manner that is beneficial to the strategic objectives of HRPA.



Bill 28 - Registered Human Resources Professionals Act, 2011

On March 1, 2012, the Ontario Legislature passed second reading of Bill 28, the "*Registered Human Resources Professionals Association Act*"—legislation that enhances public protection and strengthens HRPA's ability to provide the regulatory oversight it needs to meet the demands of its members and Ontario business and to make an effective contribution in the development of future government policies that affect the profession in Ontario. The bill was referred to the Standing Committee on General Government.

The legislation received strong all-party support, being introduced by Liberal MPP David Zimmer as a private member's bill with co-sponsorship from Christine Elliott of the Progressive Conservative Party and Michael Prue of the NDP.

The bill died when the Legislature was prorogued in October and was re-introduced in March 2013.

CanadaWorks 2025

With the release of *CanadaWorks 2025*, a joint HRPA/Deloitte report examining the trends shaping the future of the Canadian workplace, HRPA lobbied government on the report's findings. HRPA presented the report to the Premier's Office; Ministry of Finance; Ministry of Citizenship and Immigration; Ministry of Training, Colleges and Universities; Ministry of Education; and the Ministry of Economic Trade and Development. HRPA also presented the report to opposition party leaders and critics.

Bill 30 - Family Caregiver Leave Act (Employment Standards Amendment)

HRPA was asked by the Ministry of Labour to provide input on proposed family caregiver leave legislation which would allow Ontario workers to take up to eight unpaid weeks off work to care for family members with serious medical conditions.

AODA EnAbling Change Program

HRPA secured funding from the Ontario government's Accessibility Directorate to produce six short educational videos dealing with workplace compliance requirements for the Accessibility for Ontarians with Disabilities Act (AODA) Employment Standard—part of the Integrated Accessibility Standards Regulation.



MEMBERSHIP

HRPA is a member-driven association and a key measure of its value is how effectively it supports and advances members' careers. Rate of growth, retention and the member satisfaction index are all good indicators of value.



Growth, Retention and Member Satisfaction

HRPA set several membership records in 2012, including total membership numbers, retention and member satisfaction rates.

Following year-over-year growth, in 2012 HRPA grew its total membership—CHRP, CHRP Candidates, SHRPs, General members, Practitioner members, Students, Allied and HR IEPs—to a record 19,569 members. And 2012 also saw record member retention at 89 per cent (up from 85 per cent in 2011).

In 2008, HRPA began measuring member satisfaction in its annual member survey. It asks members to rate Association effectiveness and

engagement on a six-point Likert scale, with six being the highest. The aggregate number is referred to as the Member Satisfaction Index. HRPA's Index rating for 2012 was a record 4.44 (out of 6) compared to 4.15 in 2010 and 2011.

Mentoring

To better provide members with the greatest range of mentorship options and experiences, in 2012 HRPA rolled out Mentor Scout—an online mentoring management application—across HRPA's 28 chapters and increased the number of members enrolled in formal mentoring programs at the Chapter level to 763 (more than double the previous high.)

HRPA Edge

In response to requests from younger members for assistance in securing their first HR job, in 2012 HRPA (in partnership with Career Edge Organization) introduced HRPA Edge, a paid HR internship program for CHRP Candidates. Over 2012, HRPA Edge enrolled 30 host organizations and registered more than 200 CHRP Candidates.

A look ahead

At the request of members to deliver high quality HR professional development across Ontario, HRPA is introducing HR Broadcasting—interactive professional development programming live-streamed from HRPA's Toronto Learning Centre classrooms to

members' PCs, tablets or smartphones, wherever they happen to be.

HRPA is also introducing:

HR Hotline, a free CHRP volunteer-delivered HR information service for members.

My HRPA, a mobile app for iPhone, BlackBerry and Android to keep members informed of what's happening at HRPA, special offers and promotions, as well as regulatory updates, professional development and, just two taps to reach the HR Hotline.

COMMUNICATIONS

A key part of HRPAs Strategic Plan involves exceptional communications: a comprehensive communications program delivered consistently to HRPAs many stakeholders and based on the same underlying themes structured around an HRPAs “brand-based” communications and marketing plan.

In 2012, HRPAs slashed the volume of member email by 70 per cent by reorganizing emails around daily themes—careers, professional development, membership, thought leadership and extended benefits. HRPAs listened to its members request to reduce email volumes and increased open rates by over 50 per cent in the process.

HRPA also upgraded its internal videography capability, allowing the Association to greatly expand its HRPATV YouTube channel content. In 2012, HRPATV surpassed 100,000 total views of such content as the Harold Jeppers AODA collection, HRPAs member profiles and Annual Conference highlights—thus increasing awareness of HRPAs and its mission both inside and outside of membership.

And to better reach and engage with members, in 2012 HRPAs introduced a social media strategy, increasing HRPAs Twitter followers by 236 per cent, growing the HRPAs LinkedIn community by 40 per cent, and increasing traffic to the HRPAs website by almost 20 per cent.



HR RESEARCH & DEVELOPMENT

HRPA is committed to keeping its members at the forefront of HR thought leadership through research and surveys.

Last year's release of *CanadaWorks 2025*—a comprehensive report examining trends shaping the future of the Canadian workplace—played a strong role in supporting this goal, as well as HRPA's strategic aim of expanding Association influence.

Co-authored with Deloitte, the research shows how decisions we make today dealing with education, immigration, employment and industry investment will dictate the country's fortunes—for better or worse—in 2025.

CanadaWorks 2025 received extensive coverage across all media and positioned HRPA as an expert on the Canadian workplace and workforce.

It also got the attention of government. HRPA presented *CanadaWorks 2025* research to various Ontario government officials including Members of Provincial Parliament, Deputy Ministers, Ministers and the Premier of Ontario's office. Since then, HRPA has seen major advances in its links, credibility and growing influence with government.

Over 2012, HRPA continued this work producing white papers addressing more focused issues raised in the research and making specific recommendations to government. The three new whitepapers include:

The Role of Immigration in Achieving a Prosperous Future makes the case for a “real-time” immigration system that sees highly skilled prospective immigrants applying, arriving and starting work in Canada within months instead of years.

The Role of Colleges and Vocational Schools in Achieving a Prosperous Future looks at the role of colleges, polytechnics and vocational schools in meeting skilled labour demand.

The Role of Apprenticeships in Achieving a Prosperous Future explores what we need to do now to prepare for the massive shortfall in skilled trades workers facing Canada between now and 2025.

HRPA continues to work to maintain and build the momentum the report has achieved so far: finding more opportunities to meet with government and other stakeholders; publishing white papers; presenting on the report and white papers; and continuing to engage contributors to the report.



PROFESSIONAL DEVELOPMENT

At HRP, learning takes many forms, from mentoring, webinars, workshops and seminars, to executive events and the Annual Conference. Over 2012, the Association continued to deliver premium HR education to advance members' careers.

Career GPS

In 2012, HRP launched Career GPS for HR Professionals—an online career development tool that lets members benchmark their current ability against 85 HR competencies, and identifies the professional development they need to bridge the gaps for the role they want to move into.

Since Career GPS went live in early 2012, more than 2,300 members have registered and it is quickly turning into a powerful HR professional benchmarking tool.



Certificate Programs

Last year, HRP rolled out Certificate Programs—a new professional development stream that provides intensive, multi-day learning to build skills and certify knowledge in a growing number of HR areas.

In partnership with learning leaders like Dale Carnegie, Certified General Accountants, Forrest & Company and Osgoode Hall Law School, HRP hosted several Certificate Programs in 2012, including: the Accredited Executive Compensation Program; Presenting to Senior Leaders, Inspired Communications and Human Relations; Comprehensive Project Management Certificate; Labour Relations Certificate; Financial Management Skills for HR Professionals Certificate; and Workplace Investigations Certificate.

Annual Conference & Trade Show

HRP's 2012 Annual Conference—Inventing the Future—was another big success. More than 4,000 attendees immersed themselves in three days of intensive HR learning, networking and inspiration. The conference featured more than 130 HR sessions, 230+ trade show exhibitors and six world-class keynotes including *What Got You Here Won't Get You There* author Marshall Goldsmith, Gemini-award winning business journalist Amanda Lang, and Emmanuel Gobillot, author of *Leadershift*.



Fast-track Certified Management Consultant (CMC) designation for CHRPs/SHRPs

In 2012, HRPAs and CMC-Canada partnered to provide professional development to help CHRPs and SHRPs fast-track their way to a Certified Management Consultant (CMC) designation. CHRPs and SHRPs who take CMC-Canada's Essentials of Management Consulting (EMC) and Ethical Behaviour: Best Practices for Management Consultants courses, plus HRPAs' Comprehensive Project Management and Leadership Suites can quickly earn the CMC designation to open up more career opportunities.

The CMC designation adds credibility to a management consulting practice and opens up a network of other consultants. The CMC designation is the perfect complement to the CHRP/SHRP: Where the CHRP or SHRP certifies HR expertise, the CMC shows the ability to consult on that knowledge.

Volunteer Recognition

HRPA's Volunteer & Leadership Awards recognize contributions made to the profession, the workplace and the elevation of the practice of human resources management.

Congratulations to the 2012 recipients.

Leadership Awards

Honourary Life Award: Susan Marlow, CHRP, SHRP

Honourary Life Award: Antoinette Blunt, CHRP, SHRP

Fellow CHRP Award: Antoinette Blunt, CHRP, SHRP

Awards of Excellence

Ross. A. Hennigar Memorial Award: Dennis (Gene) Jamieson, CHRP

HRPA Outstanding CHRP Award: Angela Woods-Trew, CHRP

HRPA Scholarship Award, sponsored by the Bagg Group: Angela Herrera Rueda

National Knowledge Exam Top Scorers:

Martina Preece, Emily Lauzon, Michelle Ventrella, CHRP, Meagan-Mari Ferguson

Chapter Awards

Chapter Of Excellence (medium size chapter): Guelph and District Chapter

Chapter Of Excellence (large size chapter): York Region Chapter

Fastest Growing Chapter Awards: Algoma Chapter (fewer than 250 members)

Niagara Chapter (more than 250 members)

Highest Retention Chapter Awards: Quinte Chapter (fewer than 250 members)

Grand Valley Chapter (more than 250 members)



BOARD RELATIONS AND ASSOCIATION GOVERNANCE

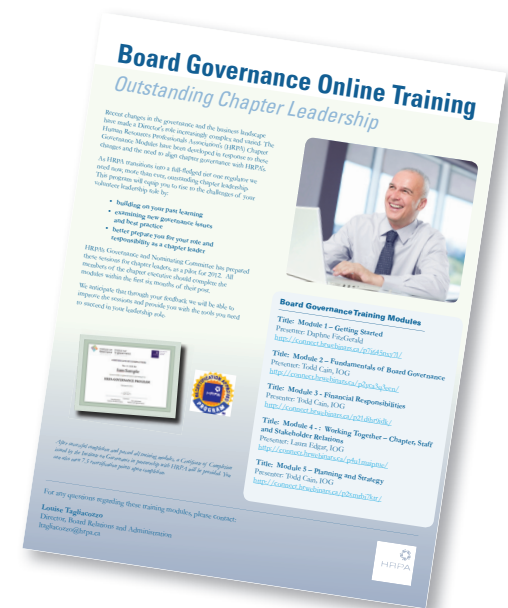
HRPA has a strong commitment to best practice in governance. In order to remain a governance leader amongst professional membership associations, the HRPAs board continually seeks out new approaches that ensure greater transparency and integrity in what it does.

The governance journey continues...

On an ongoing basis the Association provides enhancements or proactive modifications in governance in an effort to increase stakeholder confidence. Some of the new initiatives the HRPAs board worked towards in 2012 include:

- *Identifying the process for selecting a Chair Elect from amongst Board Directors*
- *Establishing a governance framework for the management of volunteers in HRPAs By-Laws -*
- *Enhancements made to the By-Laws related to Protection Of Directors And Officers, Chapter Executives and Association Volunteers*
- *Balancing key risk oversight responsibilities between the Board, Committees and Staff*
- *Refining the Board Nomination Process and Election Protocol for the 2013 Board Election*
- *Implementing Governance Modules for HRPAs Chapter Boards -*
- *Developing Chapter Operating Terms for HRPAs 28 Chapters -*

In addition to work done to ensure that the Association's governance is best in class, the Board recognizes that in order to succeed in its governance accountability to the Members and the Public, they have made a commitment to annually assess their performance. The principle objective of Board assessment is to acknowledge the good; identify areas where improvement is needed; and to engage everyone in building a sound organization through its commitment to core values. Based on the results from the 2011-12 Board assessment, improvements were made to Board meeting administration permitting more time for generative discussion topics and ensuring that strategic items were allotted enough time on the Board Agenda.



INDEPENDENT AUDITOR'S REPORT

To the Members of Human Resources Professionals Association:

The accompanying summary financial statements, which comprise the summary balance sheets as at November 30, 2012, November 30, 2011 and December 1, 2010 and the summary statements of operations for the years ended November 30, 2012 and November 30, 2011, and related notes are derived from the audited financial statements of Human Resources Professionals Association for the years ended November 30, 2012 and November 30, 2011. We expressed an unmodified audit opinion on those financial statements in our report dated March 21, 2013. Those financial statements, and the summary financial statements, do not reflect the effects of events that may have occurred subsequent to the date of our report on those financial statements.

The summary financial statements do not contain all the statements and disclosures required by Canadian accounting standards for not-for-profit organizations. Reading the summary financial statements, therefore, is not a substitute for reading the audited financial statements of Human Resources Professionals Association.

Management's Responsibility for the Summary Financial Statements


Management is responsible for the preparation of a summary of the audited financial statements in accordance with Canadian accounting standards for not-for-profit organizations, as described in Note 1.

Auditor's Responsibility

Our responsibility is to express an opinion on the summary financial statements based on our procedures, which were conducted in accordance with Canadian Audit Standard (CAS) 810, 'Engagements to Report on Summary Financial Statements'.

Opinion

In our opinion, the summary financial statements derived from the audited financial statements of Human Resources Professionals Association for the years ended November 30, 2012 and November 30, 2011 are a fair summary of those financial statements, in accordance with Canadian accounting standards for not-for-profit organizations.



Chartered Accountants, Licensed Public Accountants

Mississauga, Ontario

March 21, 2013

Note 1: Summary Financial Statement Preparation

Management is responsible for the preparation of these summary financial statements. The summary presented includes the summary balance sheets and the summary statements of operations. It does not include the statement of changes in net assets, the statement of cash flows or all disclosures required under Canadian accounting standards for not-for-profit organizations.

Copies of the November 30, 2012 audited financial statements are available at the Human Resources Professionals Association's office.

BALANCE SHEET

	November 30, 2012	November 30, 2011	December 1, 2010
ASSETS			
Current			
Cash	\$ 209,375	\$ 185,270	691,678
Short-term investments	2,306,418	1,100,000	2,002,756
Accounts receivable	355,562	1,750,477	532,095
Prepaid expenses	693,804	837,243	948,982
Security deposit	50,000	—	—
	3,615,159	3,872,990	4,175,511
Long-term investments	6,319,956	6,172,704	7,134,465
Capital assets, net	2,417,809	2,682,741	1,468,984
Product development costs	133,079	273,858	126,693
Security deposit	300,000	350,000	—
	\$ 12,786,003	\$ 13,352,293	\$ 12,905,653
LIABILITIES AND NET ASSETS			
Current			
Accounts payable and accrued liabilities	\$ 1,126,827	\$ 1,495,631	\$ 1,197,181
Deferred revenue	5,108,033	5,357,743	5,165,920
Deferred capital contributions	99,019	133,707	53,238
	6,333,879	6,987,081	6,416,339
Deferred rent	1,115,742	824,089	68,658
Deferred capital contributions	11,892	79,979	57,611
	7,461,513	7,891,149	6,542,608
Net assets			
Invested in capital assets	2,417,809	2,682,741	1,468,984
Internally restricted	937,543	901,606	642,740
Contingency fund	1,876,797	1,876,797	3,751,321
Unrestricted	92,341	—	500,000
	5,324,490	5,461,144	6,363,045
	\$ 12,786,003	\$ 13,352,293	\$12,905,653

STATEMENT OF
OPERATIONS

For the years ended November 30	2012	2011
Revenue		
Administration	\$ 132,663	\$ 84,157
Annual conference	3,571,287	3,683,703
Chapters, volunteers and awards	40,850	66,205
Membership and member services	5,356,771	5,214,705
National rebate and shared services	187,991	—
Professional development and support programs	1,503,107	1,446,789
Publications, communications and marketing	476,303	471,331
Regulatory affairs	714,320	879,445
	11,983,292	11,846,335
Expenses		
Administration	2,583,903	2,840,495
Amortization	850,447	743,945
Annual conference	2,524,348	2,337,785
Board and board committees	455,395	658,211
Chapters, volunteers and awards	375,922	426,520
Membership and member services	766,052	874,421
National levies	436,682	387,102
Office space and utilities	720,666	1,154,559
Professional development and support programs	1,456,310	1,182,991
Public affairs and research	429,004	363,761
Publications, communications and marketing	897,917	977,003
Regulatory affairs	816,141	875,882
	12,312,787	12,822,675
Deficiency of revenue over expenses		
before investment income	(329,495)	(976,340)
Investment income	192,841	74,439
Net deficiency of revenue over expenses for the year	\$ (136,654)	\$ (901,901)

FINANCIAL OVERVIEW – FISCAL YEAR 2012

HRPA ended fiscal year 2012 with a better-than-budgeted deficit of (\$136,654), compared to a deficit in fiscal year 2011 of (\$901,901).

Operating revenue for the year increased slightly over the previous year by 1.2 per cent, or \$136,957, while expenses decreased 4.0 per cent, or \$509,888. Investment income for the year increased over the previous year due to improved market returns on investments.

Overall, HRP remains in a very healthy financial position with net assets totalling \$5,324,490. Following are highlights of some key account variances year-over-year:

Balance Sheet

- Accounts receivable are lower in 2012 due in most part to an amount receivable from the landlord at 2011 year-end pertaining to a tenant improvement allowance for the new office space; this amount was subsequently received in 2012. In addition, there was government funding receivable in fiscal year 2011 for the Cultural Competency Training Program, which was subsequently received in fiscal year 2012.
- Prepaid expenses relate to the annual conference, insurance, software maintenance, licenses, and other costs having future benefits; overall, the total for these amounts is slightly lower in 2012 due to timing of payments and renewals.
- Long-term investments are higher than the previous year due to the increase in market value.
- Product development costs pertain to remaining unamortized amounts related to the online HRwrx exam prep product, as well as two government-funded projects associated with the Accessibility for Ontarians with Disabilities Act (AODA).
- Security deposit pertains to an amount paid to the landlord that was required as part of the new lease agreement. This amount will be repaid to HRP in future years, as per the lease terms.
- Accounts payable and accrued liabilities are lower than the previous year, due in most part to the recognition of remaining rental obligations associated with the previous office space in 2011.
- Deferred revenue pertains to amounts collected for the annual conference, membership dues, government funded programs, and other programs and services being held after year-end. This amount is lower in 2012, due mostly to lower deferred amounts related to government funded programs.
- Deferred capital contributions relate to the funding of two AODA-related projects by the Ontario government; this amount is being recognized over the useful life of the products.
- Deferred rent in 2012 pertains to two different amounts associated with the new office and meeting premises – one amount relates to the tenant improvement allowance, while the other amount pertains to the recognition entry related to the rent-free period (to November 30, 2012); these two amounts are being amortized over the term of the lease, according to accounting standards.
- A portion of net assets has been restricted for capital budget items, including hardware and software upgrades and general office capital expenditures. The contingency fund is a reserve for general operating contingencies and is not available for use by the Association without prior approval of the Board of Directors.
- In line with general guidelines for not-for-profit associations, our target for reserves is set at 50 per cent of annual operating costs. Based on the operating budget for fiscal year 2012-2013, the Association's reserve is at approximately 23.2 percent of the budgeted operating costs.

Statement of Operations

Administration

Administration revenue was higher in 2012 due to an increase in facility rental revenue associated with the HRP Learning Centre space. Expenses under Administration were lower, due mainly to one-time operating costs associated with the office move in 2011 which were not incurred in 2012.

Annual Conference

The overall surplus from HRP's Annual Conference and Trade Show decreased by \$298,979 in 2012. Part of this decrease was due to revenue being \$112,416 lower than the previous year - a result of decreased exhibitors and sponsorships. In addition, costs increased by \$186,563 over the previous year, due mainly to the re-introduction of a networking event at the conference, along with higher insurance and speaker fees.

Chapters, Volunteers and Awards

Revenue under this area was lower than the previous year, due mainly to lower sponsorship revenue associated with the HR Summit Awards. Expenses decreased over the previous year due mainly to cost savings associated with the HR Summit Awards event.

Membership and Member Services

Higher membership revenue in 2012 was due to an overall increase in membership numbers, including a higher membership retention rate.

Expenses under this area were lower due to a decrease in marketing and renewal incentive costs.

National Rebate and Shared Services

The revenue shown under this area for 2012 includes a return of accumulated surplus by the national body (CCHRA) to the provincial Associations, along with some shared services revenue. Under normal operating circumstances, a return of surplus would not normally take place, as was the case in 2011. Expenses under this area increased due to a higher national levy and other related costs.

Office Space and Utilities

The significant decrease in costs for Office Space and Utilities was mainly due to the recognition of remaining rental obligations on the previous office space of approximately \$380,000 in 2011, which was required under accounting regulations. This resulted in expenses being considerably higher in 2011 as compared to 2012.

Professional Development and Support Programs

Revenue and expenses under this area relate to HRP events as well as government funded programs. Revenue from HRP events was significantly lower in 2012 due to decreased attendance, while expenses for HRP events remained the same due to many costs being fixed in nature. Revenue from government

funded programs was higher in 2012 due in most part to the timing of the programs and related recognition of revenue. Expenses related to government funded programs were higher in 2012 due to two additional government funded programs.

Publications, Communications and Marketing

Expenses decreased under this area, due in most part to the termination of the money-back guarantee associated with HRwrx, along with decreased corporate marketing costs.

Regulatory Affairs

Revenue under this area decreased in 2012, due in large part to the reduction in the number of applications for Validation of Experience. Offsetting this reduction was an increase in revenue from the National Knowledge Exam in 2012. Expenses under this area decreased, due to several factors, including the reduction in total costs associated with academic courses, lower expenses related to the SHRP designation, and lower regulatory-related committee expenses.

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