

**STFX ASSOCIATION OF UNIVERSITY TEACHERS**

**Financial Statements**

**March 31, 2017**

*(Unaudited)*

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## REVIEW ENGAGEMENT REPORT

To the Members of StFX Association of University Teachers

We have reviewed the statement of financial position of StFX Association of University Teachers as at March 31, 2017 and the statements of revenues and expenditures, changes in net assets and cash flows for the year then ended. Our review was made in accordance with Canadian generally accepted standards for review engagements and, accordingly, consisted primarily of inquiry, analytical procedures and discussion related to information supplied to us by the association.

A review does not constitute an audit and, consequently, we do not express an audit opinion on these financial statements.

Based on our review, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with Canadian accounting standards for not-for-profit organizations.

Antigonish, Nova Scotia  
May 2, 2017

  
Chartered Professional Accountants  
Licensed Public Accountants

**STFX ASSOCIATION OF UNIVERSITY TEACHERS****Statement of Revenues and Expenditures****Year Ended March 31, 2017***(Unaudited)*

	<b>2017</b>	<b>2016</b>
<b>Revenue</b>		
Membership dues	\$ 258,202	\$ 250,089
Interest income	3,242	4,340
	<b>261,444</b>	<b>254,429</b>
<b>Expenses</b>		
Accounting fees	2,300	
Donations	6,350	3,839
Dues, fees and memberships	108,648	90,291
Insurance	875	875
Interest and bank charges	11	37
Legal fees	18,456	33,537
Office	4,196	4,933
Prizes and awards	3,536	1,886
Professional development	578	1,385
Salaries and wages	47,658	47,519
Social events	12,015	9,046
Stipends	5,750	5,750
Strike support and expenses	23,156	1,000
Travel	6,246	4,299
	<b>239,775</b>	<b>204,397</b>
<b>Excess of revenue over expenses</b>	<b>\$ 21,669</b>	<b>\$ 50,032</b>

## STFX ASSOCIATION OF UNIVERSITY TEACHERS

## Statement of Changes in Net Assets

Year Ended March 31, 2017

*(Unaudited)*

	General Fund	Reserve Fund	2017	2016
<b>Net assets - beginning of year</b>	\$ 130,690	\$ 588,742	\$ <b>719,432</b>	\$ 669,400
Excess of revenue over expenses	21,669		<b>21,669</b>	50,032
Interest earned, reserve fund	(3,175)	3,175		
<b>Net assets - end of year</b>	\$ 149,184	\$ 591,917	\$ <b>741,101</b>	\$ 719,432

**STFX ASSOCIATION OF UNIVERSITY TEACHERS**

**Statement of Financial Position**

**March 31, 2017**

*(Unaudited)*

	2017	2016
<b>ASSETS</b>		
<b>Current</b>		
Cash	\$ 614,741	\$ 595,727
Term deposits (Note 3)	104,590	104,525
Accounts receivable	21,770	20,662
	<u>\$ 741,101</u>	<u>\$ 720,914</u>
<b>LIABILITIES</b>		
<b>Current</b>		
Accounts payable	\$	\$ 1,482
<b>NET ASSETS</b>		
<b>General fund</b>	149,184	130,690
<b>Reserve fund (Note 4)</b>	591,917	588,742
	<u>741,101</u>	<u>719,432</u>
	<u>\$ 741,101</u>	<u>\$ 720,914</u>

**ON BEHALF OF THE BOARD**

\_\_\_\_\_ Director

\_\_\_\_\_ Director

## STFX ASSOCIATION OF UNIVERSITY TEACHERS

## Statement of Cash Flows

Year Ended March 31, 2017

*(Unaudited)*

	2017	2016
<b>Operating activities</b>		
Cash receipts from members	\$ 260,336	\$ 235,010
Cash paid to suppliers and employees	(241,247)	(206,145)
Interest paid	(10)	(35)
<b>Increase in cash flow</b>	<b>19,079</b>	<b>28,830</b>
<b>Cash - beginning of year</b>	<b>700,252</b>	<b>671,422</b>
<b>Cash - end of year</b>	<b>\$ 719,331</b>	<b>\$ 700,252</b>
<b>Cash consists of:</b>		
Cash	\$ 614,741	\$ 595,727
Term deposits	104,590	104,525
	<b>\$ 719,331</b>	<b>\$ 700,252</b>

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1. **Purpose of the association**

StFXU Association of University Teachers (the "association") is registered with the Province of Nova Scotia Trade Union Act.

The association operates to promote the interests of the Academic staff and to advance the standards of their professions at St. Francis Xavier University, Antigonish, Nova Scotia.

2. **Summary of significant accounting policies**

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO) and, in the association's opinion, with consideration of materiality and within the framework of the following accounting policies:

**Cash and cash equivalents**

Cash includes cash and cash equivalents. Cash equivalents are investments in high interest savings account with the carrying amounts equal fair value.

**Fund accounting**

StFX Association of University Teachers follows the restricted fund method of accounting for contributions.

The General Fund accounts for the association's program delivery and administrative activities. This fund reports unrestricted resources and restricted operating grants.

The Reserve Fund reports resources contributed for reserves. Investment income earned on resources of the Reserve Fund is reported in the Reserve Fund.

**Revenue recognition**

StFX Association of University Teachers follows the restricted fund method of accounting for contributions.

Restricted contributions related to general operations are recognized as revenue of the General Fund in the year in which the related expenses are incurred.

Unrestricted contributions are recognized as revenue of the General Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Investment income earned on Reserve Fund resources is recognized as revenue of the Reserve Fund when earned.

(continues)



**2. Summary of significant accounting policies (continued)****Measurement uncertainty**

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 amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

**3. Term deposits**

	<u>2017</u>	<u>2016</u>
Guaranteed Investment Certificate, maturing May 15, 2017 and earning interest at a rate of 0.05%	<u>\$ 104,590</u>	<u>\$ 104,525</u>

**4. Reserve fund**

The Reserve Fund has been established by the Association to provide benefits and cover expenses relating to a strike or lockout as well as extraordinary expenditures that are not included in the annual operating budget. The balance of the Reserve Fund is to be funded up to the amount representing an estimate of two years revenue from memberships.

The reserve fund is funded with the following resources:

	<u>2017</u>	<u>2016</u>
Credit Union High-Interest Savings Account	<u>\$ 487,383</u>	<u>\$ 484,217</u>
Scotiabank GIC	<u>104,590</u>	<u>104,525</u>
	<u>\$ 591,973</u>	<u>\$ 588,742</u>

**5. Related party transactions**

During the year ended March 31, 2017, the Association paid \$65,962 for administration and other fees (2015 - \$54,342) to St. Francis Xavier University, the entity that employs all members of the organization. The transactions were carried out in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

**6. Financial instruments**

The association is exposed to various risks through its financial instruments. The following analysis provides information about the association's risk exposure and concentration as of March 31, 2017.

**Interest rate risk**

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the association manages exposure through its normal operating and financing activities. The association is exposed to interest rate risk primarily through its interest rate for term deposits and savings account.