



Financial Statements of

**CAPE BRETON UNIVERSITY
FACULTY ASSOCIATION**

Year ended March 31, 2017
(Unaudited)



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REVIEW ENGAGEMENT REPORT

To the Members of Cape Breton University Faculty Association

We have reviewed the statement of financial position of Cape Breton University Faculty Association as at March 31, 2017 and the statements of operations, 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 enquiry, 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.

A handwritten signature in black ink that reads 'MGM & Associates'. The signature is written in a cursive, flowing style.

Chartered Professional Accountants
Licensed Public Accountants

Sydney, Canada
September 6, 2017

CAPE BRETON UNIVERSITY FACULTY ASSOCIATION

Statement of Financial Position


March 31, 2017, with comparative figures for 2016

(Unaudited)

	2017		2016
ASSETS			
Current assets			
Cash	\$ 39,064	\$	39,112
Accounts receivable (note 2)	23,140		19,815
Prepaid expenses	1,200		1,200
	63,404		60,127
Restricted cash	454,519		452,259
	\$ 517,923	\$	512,386
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	\$ 4,840	\$	16,480
NET ASSETS			
Grievance and arbitration fund	142,600		141,892
Strike fund	311,919		310,367
Unrestricted	58,564		43,647
	513,083		495,906
	\$ 517,923	\$	512,386

See accompanying notes to unaudited financial statements.

On behalf of the Executive:


_____ Member


_____ Member

CAPE BRETON UNIVERSITY FACULTY ASSOCIATION

Statement of Operations

Year ended March 31, 2017, with comparative figures for 2016

(Unaudited)

	2017	2016
REVENUES		
Membership fees	\$ 156,427	\$ 164,006
Interest income	2,349	5,169
	158,776	169,175
EXPENSES		
Dues		
Canadian Association of University Teachers (CAUT)	24,909	24,406
Association of NS University Teachers	15,643	6,920
Defence fund	10,414	10,332
Nova Scotia Federation of Labour	1,667	1,478
National Union of CAUT	1,536	1,675
Cape Breton District Labour Council	274	285
Grievances	26,892	98,933
Salaries and benefits	15,546	14,827
Bargaining	13,692	-
Stipends	9,261	9,152
Social functions	5,903	4,786
Professional fees	4,705	3,623
Meetings	3,319	11,472
Insurance	2,650	2,509
Donations and contributions	2,483	12,503
Conference	1,351	10,741
Office supplies	1,125	1,691
Bank charges	189	181
Miscellaneous	40	3,056
Publicity	-	989
	141,599	219,559
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$ 17,177	\$ (50,384)

See accompanying notes to financial statements.

CAPE BRETON UNIVERSITY FACULTY ASSOCIATION

Statement of Changes in Net Assets

Year ended March 31, 2017, with comparative figures for 2016
(Unaudited)

	2017			2016	
	Grievance and Arbitration Fund	Strike Fund	Unrestricted	Total	Total
NET ASSETS, BEGINNING OF YEAR	\$ 141,892	\$ 310,367	\$ 43,647	\$ 495,906	\$ 546,290
Excess (deficiency) of revenues over expenses	708	1,552	14,917	17,177	(50,384)
NET ASSETS, END OF YEAR	\$ 142,600	\$ 311,919	\$ 58,564	\$ 513,083	\$ 495,906

See accompanying notes to unaudited financial statements.

CAPE BRETON UNIVERSITY FACULTY ASSOCIATION

Statement of Cash Flows

Year ended March 31, 2017, with comparative figures for 2016
(Unaudited)

	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Excess (deficiency) of revenues over expenses	\$ 17,177	\$ (50,384)
Change in non-cash operating working capital		
Increase in accounts receivable	(3,325)	(6,609)
Increase in prepaid expenses	-	(136)
Increase (decrease) in accounts payable and accrued liabilities	(11,640)	6,375
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	2,212	(50,754)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	491,371	542,125
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 493,583	\$ 491,371
Cash and cash equivalents is defined as		
Cash	\$ 39,064	\$ 39,112
Restricted cash - Strike Fund	311,919	310,367
Restricted cash - Grievance and Arbitration Fund	142,600	141,892
	\$ 493,583	\$ 491,371

See accompanying notes to financial statements.

CAPE BRETON UNIVERSITY FACULTY ASSOCIATION

Notes to Financial Statements

Year ended March 31, 2017

(Unaudited)

Cape Breton University Faculty Association (the "Association") is an unincorporated Association that was formed in 1974. The Association was originally called the University College of Cape Breton Faculty Association of University Teachers and in 2005 the name was changed to Cape Breton University Faculty Association. The purpose of the Association is to promote the welfare of faculty, librarians and other specialists, clinical associates, laboratory instructors and teaching assistants of Cape Breton University.

The affairs of the Association are managed by an Executive of 12 individuals, who are elected by the membership on a one year term basis, except the President, who is elected in alternate years.

The Association is exempt from income taxes under Section 149(1)(k) of the Income Tax Act.

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

(a) General

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

(b) Cash and cash equivalents

Cash and cash equivalents consists of cash on deposit, net of outstanding cheques and deposits.

(c) Strike Fund

The Association established a Strike Fund to be used in the event of a future strike. Contributions are made at the discretion of the Executive and maintained in a separate bank account.

(d) Grievance and Arbitration Fund

The Association established a Grievance and Arbitration Fund to be used to support union members in such circumstances. Contributions are made at the discretion of the Executive and are maintained in a separate bank account.

(e) Revenue recognition

The Association follows the deferral method of accounting for revenue. Membership fee revenue is composed of unrestricted contributions that are recognized as revenue when received or receivable, if the amount to be received is readily determinable and collection is reasonably assured.

CAPE BRETON UNIVERSITY FACULTY ASSOCIATION

Notes to Financial Statements (continued)

Year ended March 31, 2017
(Unaudited)

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Reimbursements are recognized in the period that the corresponding expense is incurred.

Interest income is recognized as revenue when earned.

(f) Financial instruments

Measurement of financial instruments

The Association initially measures its financial assets and financial liabilities at fair value and subsequently measures all its financial assets and financial liabilities at amortized cost.

Financial assets measured at amortized cost include cash and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

Impairment

Financial assets measured at cost or amortized costs are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in income. A previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in income.

Unless otherwise noted, the Association is not subject to significant credit, market or liquidity risks arising from these instruments.

(g) Use of estimates

The preparation of financial statements 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 year. Actual results could differ from those estimates. Those financial statement items subject to estimates include the valuation of accounts receivable.

CAPE BRETON UNIVERSITY FACULTY ASSOCIATION

Notes to Financial Statements (continued)

Year ended March 31, 2017

(Unaudited)

2. ACCOUNTS RECEIVABLE

	2017		2016	
Membership fees	\$	18,140	\$	19,815
Other		5,000		
	\$	23,140	\$	19,815

3. ALLOWANCES

Cape Breton University (the University) provides the Association with free office space and use of a telephone line. The value of these services are not included in the financial statements.

In addition, the University, under the Association's collective agreement, provides teaching reductions to the Association's President (6 credits) and Chief Negotiator (3 credits, in the year a contract is being negotiated). The value of these salaries and benefits paid by the University are not reflected in the financial statements.