

**Simon Fraser University Administrative
And Professional Staff Association
Financial Statements**

June 30, 2023

Independent Practitioner's Review Engagement Report

To the Members of Simon Fraser University Administrative And Professional Staff Association:

We have reviewed the accompanying financial statements of Simon Fraser University Administrative And Professional Staff Association that comprise the statement of financial position as at June 30, 2023, and the statements of operations, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

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 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.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Simon Fraser University Administrative And Professional Staff Association as at June 30, 2023, 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.

Maple Ridge, British Columbia

November 16, 2023

MNP LLP

Chartered Professional Accountants

**Simon Fraser University Administrative
And Professional Staff Association
Statement of Financial Position**

As at June 30, 2023

	2023	2022
Assets		
Current		
Cash (Note 3)	63,801	165,832
Accounts receivable	176,721	86,081
Short-term investments (Note 4)	782,851	961,600
	1,023,373	1,213,513
Long-term investments (Note 4)	207,100	-
Capital assets (Note 5)	4,533	1,963
	1,235,006	1,215,476
Liabilities		
Current		
Accounts payable and accruals	39,996	101,652
Net Assets		
Unrestricted	1,137,167	907,896
Internally restricted	7,953	153,965
Invested in capital assets	49,890	51,963
	1,195,010	1,113,824
	1,235,006	1,215,476

Approved on behalf of the Board

e-Signed by Jill Sutherland
2023-11-16 15:57:53:53 PST

President

e-Signed by Jasper Stoodley
2023-11-16 16:13:11:11 PST

Treasurer

The accompanying notes are an integral part of these financial statements

**Simon Fraser University Administrative
And Professional Staff Association
Statement of Operations**
For the year ended June 30, 2023

	2023	2022
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Revenue		
Membership dues	781,556	809,124
Interest	28,351	7,134
	<hr/>	<hr/>
	809,907	816,258
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Expenses		
Administrative	7,718	6,946
Amortization	2,073	1,502
Bank charges and interest	195	222
Committee meetings	17,336	26,455
Executive	6,389	6,393
Insurance	1,938	1,923
Legal	280,382	189,171
Member professional development and social	31,133	31,763
Office	3,107	3,952
Professional development	4,461	6,876
Publications and subscriptions	1,050	1,050
Repairs and maintenance	7,910	6,763
Salaries and benefits	360,990	419,555
Telephone	4,039	4,706
	<hr/>	<hr/>
	728,721	707,277
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Excess of revenue over expenses	81,186	108,981
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The accompanying notes are an integral part of these financial statements

**Simon Fraser University Administrative
And Professional Staff Association
Statement of Changes in Net Assets**

For the year ended June 30, 2023

	<i>Unrestricted</i>	<i>Internally restricted</i>	<i>Invested in capital assets</i>	2023	2022
Net assets, beginning of year	907,896	153,965	51,963	1,113,824	1,004,843
Excess (deficiency) of revenue over expenses	363,641	(280,382)	(2,073)	81,186	108,981
Interfund transfers (Note 6)	(134,370)	134,370	-	-	-
Net assets, end of year	1,137,167	7,953	49,890	1,195,010	1,113,824

The accompanying notes are an integral part of these financial statements

**Simon Fraser University Administrative
And Professional Staff Association
Statement of Cash Flows**
For the year ended June 30, 2023

	2023	2022
Cash provided by (used for) the following activities		
Operating		
Excess of revenue over expenses	81,186	108,981
Amortization	2,073	1,502
	83,259	110,483
Changes in working capital accounts		
Accounts receivable	(90,640)	(34,379)
Accounts payable and accruals	(61,656)	25,546
	(69,037)	101,650
Investing		
Purchase of capital assets	(4,643)	-
Purchase of investments	(989,951)	(961,600)
Proceeds on disposal of investments	961,600	748,480
	(32,994)	(213,120)
Decrease in cash resources	(102,031)	(111,470)
Cash resources, beginning of year	165,832	277,302
Cash resources, end of year	63,801	165,832

The accompanying notes are an integral part of these financial statements

Simon Fraser University Administrative And Professional Staff Association

Notes to the Financial Statements

For the year ended June 30, 2023

1. Purpose of the Association

The purposes of the Simon Fraser University Administrative and Professional Staff Association (the "Association") are to promote and advance the interests of the administrative and professional employees of Simon Fraser University, by representing them in negotiations with regard to the terms and conditions of their employment, and supporting them with regard to grievances, arbitrations, and mediations, advising them on matters of concern, promoting professionalism, excellence, and collegiality, encouraging their professional and career development, representing them to the public, governments, news media, and other educational institutions, and doing all such things as may be necessary or conducive to the attainment of these purposes.

The Association is a registered society under the Society Act of British Columbia and is a not-for-profit organization under income tax legislation. In order to maintain its status as a registered not-for-profit organization under the Act, the Association must meet certain requirements within the Act. In the opinion of management these requirements have been met.

2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO") set out in Part III of the CPA Canada Handbook - Accounting, as issued by the Accounting Standards Board in Canada.

Cash and cash equivalents

Cash and cash equivalents include balances with banks and short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

Investments

Investments with prices quoted in an active market are measured at fair value while those that are not quoted in an active market are measured at cost less impairment.

Fund accounting

The Association follows the deferral method of accounting for contributions and reports using fund accounting. In order to ensure observance of limitations and restrictions placed on the use of resources available to the Association, the accounts are maintained on a fund accounting basis. Accordingly, resources are classified for accounting and reporting purposes into funds. These funds are held in accordance with the objectives specified by the contributors or in accordance with the directives issued by the Board of Directors.

Three funds are maintained: Unrestricted Fund, Investment in Capital Assets Fund and Internally Restricted Fund.

- The Unrestricted Fund is used to account for all the revenue and expenses related to the Association's administrative activities.
- The Investment in Capital Assets Fund is used to account for all the Association's capital assets and to present the flow of funds related to their acquisition and disposal, unexpended capital resources and debt commitments.
- The Internally Restricted Fund is used to account for the Association's legal costs and expenditures. Funds are credited to the fund to the extent that they have not been fully paid out on the current year's legal expenses. Subsequent use of these internally restricted funds will occur when the legal expenses for any given year exceed the funds generated for those expenditures in that year and this excess will be charged against the internally restricted net assets accordingly.

**Simon Fraser University Administrative
And Professional Staff Association**
Notes to the Financial Statements
For the year ended June 30, 2023

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

Revenue recognition

The Association uses the deferral method of accounting for contributions and reports on a fund accounting basis.

Restricted contributions are recognized as revenue of the appropriate fund in the year in which the related expenses are incurred.

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

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.

	Rate
Computer equipment	30, 55 %
Computer software	100 %
Office equipment	30 %

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 capital assets.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenues over expenses in the periods in which they become known.

Financial instruments

The Association recognizes financial instruments when the Association 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.

At initial recognition, the Association may irrevocably elect to subsequently measure any arm's length financial instrument at fair value. The Association has not made such an election during the year.

The Association subsequently measures investments in equity instruments quoted in an active market and all derivative instruments, except those designated in a qualifying hedging relationship or that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, at fair value. Fair value is determined by published price quotations. Investments in equity instruments not quoted in an active market and derivatives that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, are subsequently measured at cost less impairment. With the exception of financial liabilities indexed to a measure of the Association's performance or value of its equity and those instruments designated at fair value, all other financial assets and liabilities are subsequently measured at amortized cost.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in excess of revenue over expenses. Conversely, transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

**Simon Fraser University Administrative
And Professional Staff Association**
Notes to the Financial Statements
For the year ended June 30, 2023

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

Financial asset impairment

The Association assesses impairment of all its financial assets measured at cost or amortized cost. The Association groups assets for impairment testing when available information is not sufficient to permit identification of each individually impaired financial asset in the group. 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 Association determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year.

With the exception of related party debt instruments and related party equity instruments initially measured at cost, the Association 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.

For related party debt instruments initially measured at cost, the Association reduces the carrying amount of the asset (or group of assets), to the highest of: the undiscounted cash flows expected to be generated by holding the asset, or group of similar assets, excluding the interest and dividend payments of the instrument; 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.

For related party equity instruments initially measured at cost, the Association reduces the carrying amount of the asset (or group of assets), to the amount that could be realized by selling the asset(s) at the statement of financial position date.

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

The Association 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 revenue over expenses in the year the reversal occurs.

3. Cash

The Association has internally restricted \$45,357 (2022 - \$50,000) for the purpose of purchasing additional computer equipment and content management system maintenance.

	2023	2022
Unrestricted	18,444	115,832
Internally restricted for capital assets	45,357	50,000
	63,801	165,832

**Simon Fraser University Administrative
And Professional Staff Association
Notes to the Financial Statements**

For the year ended June 30, 2023

4. Investments

	2023	2022
Short-term:		
GIC, interest at 4.40%, matures November 14, 2023	105,956	-
GIC, interest at 4.55%, matures December 14, 2023	136,925	-
GIC, interest at 4.40%, matures December 14, 2023	103,771	-
GIC, interest at 3.72%, matures February 5, 2024	102,474	-
GIC, interest at 4.90%, matures March 16, 2024	103,090	-
GIC, interest at 4.90%, matures April 15, 2024	127,320	-
GIC, interest at 4.50%, matures June 22, 2024	103,315	-
GIC, interest at 0.57%, matured October 14, 2022	-	100,453
GIC, interest at 0.50%, matured November 14, 2022	-	132,878
GIC, interest at 0.55%, matured December 13, 2022	-	102,262
GIC, interest at 1.18%, matured February 16, 2023	-	100,510
GIC, interest at 1.68%, matured March 14, 2023	-	124,029
GIC, interest at 2.35%, matured April 6, 2023	-	100,554
GIC, interest at 1.60%, matured May 4, 2023	-	100,522
GIC, interest at 2.80%, matured May 22, 2023	-	100,315
GIC, interest at 3.50%, matured June 23, 2023	-	100,077
	782,851	961,600
Long-term:		
GIC, interest at 4.60%, matures July 23, 2024	103,605	-
GIC, interest at 4.75%, matures October 7, 2024	103,495	-
	207,100	-
	989,951	961,600

5. Capital assets

			2023	2022
	<i>Cost</i>	<i>Accumulated amortization</i>	<i>Net book value</i>	<i>Net book value</i>
Computer equipment	53,751	49,853	3,898	1,056
Computer software	42,500	42,500	-	-
Office equipment	14,919	14,284	635	907
	111,170	106,637	4,533	1,963

**Simon Fraser University Administrative
And Professional Staff Association**
Notes to the Financial Statements
For the year ended June 30, 2023

6. Interfund transfers

During the year, the Association transferred \$134,370 (2022 - \$136,404) from the unrestricted fund to the internally restricted fund to provide for the current year's allocation.

During the year, the Association did not transfer any funds (2022 - \$nil) from the unrestricted fund to the capital fund reserve for the purpose of purchasing capital assets.

	2023	2022
1/6 of income from membership dues per internal requirement	130,259	134,854
Interest income	4,111	1,550
	134,370	136,404

7. Economic dependence

The Association's primary source of revenue is membership dues from the administrative and professional staff at Simon Fraser University (SFU). These dues are collected by SFU and then paid to the Association on a monthly basis.

SFU also pays the wages for the four office members of the Association. The Association is then billed for the amounts relating to those wages paid by SFU.

8. Capital management

The Association's objective when managing capital is to ensure that the Association can continue to fulfill its mandate. The Association sets the amount of capital in proportion to risk and manages the capital structure and makes adjustments to it in light of changes to economic conditions and the risk characteristics of the underlying assets.

There has been no change from the overall capital management strategy employed during the year ended June 30, 2023.

9. Association remunerations

In accordance with British Columbia's Societies Act, the Association is required to disclose any remuneration paid to directors as well as remuneration paid to employees or contractors in excess of \$75,000. For the year ended June 30, 2023, the Association paid a total of \$190,280 to two employee for their services. No remuneration was paid to directors, and no individual contractor was paid in excess of \$75,000.

10. Financial instruments

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

Liquidity risk

Liquidity risk is the risk that the Association will encounter difficulty in meeting obligations associated with financial liabilities. The Association's exposure to liquidity risk is dependent on purchasing commitments and obligations or raising funds to meet commitments and sustain operations.

During the year, the Association's exposure to liquidity risk has increased due to a decrease in net working capital position, in comparison to the prior year.

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 Association's financial instruments that are exposed to concentrations of credit risk relate primarily to accounts receivable.

Credit risk has increased in comparison to the prior year due to an increase in the Company's outstanding accounts receivable.