

**Simon Fraser University
Administrative And Professional
Staff Association
Financial Statements**
*June 30, 2015
(Unaudited)*

Review Engagement Report



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

We have reviewed the statement of financial position of Simon Fraser University Administrative And Professional Staff Association as at June 30, 2015 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 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.

Maple Ridge, British Columbia

November 4, 2015

MNP LLP

Chartered Professional Accountants



Simon Fraser University Administrative And Professional Staff Association

Statement of Financial Position

*As at June 30, 2015
(Unaudited)*

	2015	2014
Assets		
Current		
Cash and cash equivalents	129,657	157,055
Accounts receivable	32,013	31,702
Prepaid expenses and deposits	1,334	1,429
Short-term investments (Note 3)	266,301	109,285
	429,305	299,471
Capital assets (Note 4)	10,473	6,773
Long-term investments (Note 3)	110,992	262,335
	550,770	568,579
Liabilities		
Current		
Accounts payable and accruals	62,534	27,158
Net Assets		
Unrestricted	357,908	323,542
Internally restricted	119,856	211,106
Investment in capital assets	10,472	6,773
	488,236	541,421
	550,770	568,579

Approved on behalf of the Board

President

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, 2015
(Unaudited)*

	2015	2014
<hr/>		
Revenue		
Membership dues	410,783	418,097
Interest	6,584	6,200
	<hr/>	<hr/>
	417,367	424,297
<hr/>		
Expenses		
Administrative	4,733	6,229
Amortization	4,551	3,697
Insurance	1,550	1,429
Executive	7,497	5,437
Professional development	-	3,164
Repairs and maintenance	4,690	2,914
Salaries and benefits	217,011	209,621
Office	5,480	3,837
Telephone	2,283	3,434
Legal	161,920	31,943
Bank charges and interest	145	135
Committee meetings	28,345	22,796
Printing	864	1,779
Member professional development and social	30,728	30,813
Publications and subscriptions	755	1,069
	<hr/>	<hr/>
	470,552	328,297
<hr/>		
Excess (deficiency) of revenue over expenses	(53,185)	96,000
<hr/>		

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, 2015
(Unaudited)*

	<i>Unrestricted</i>	<i>Internally restricted</i>	<i>Investment in capital assets</i>	2015	2014
Net assets, beginning of year	323,542	211,106	6,773	541,421	445,421
Excess (deficiency) of revenue over expenses	113,286	(161,920)	(4,551)	(53,185)	96,000
Interfund Transfers (Note 5)	(78,920)	70,670	8,250	-	-
Net assets, end of year	357,908	119,856	10,472	488,236	541,421

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, 2015
(Unaudited)

	2015	2014
Cash provided by (used for) the following activities		
Operating activities		
Excess (deficiency) of revenue over expenses	(53,185)	96,000
Amortization	4,551	3,696
	(48,634)	99,696
Changes in working capital accounts		
Accounts receivable	(311)	(2,498)
Prepaid expenses and deposits	95	-
Accounts payable and accruals	35,376	(35,272)
	(13,474)	61,926
Investing activities		
Purchase of capital assets	(8,250)	-
Purchase of investments	(114,959)	(154,279)
Proceeds on disposal of investments	109,285	101,477
	(27,398)	9,124
Increase (decrease) in cash resources	(27,398)	9,124
Cash resources, beginning of year	157,055	147,931
Cash resources, end of year	129,657	157,055

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, 2015
(Unaudited)

1. Purpose of the Association

The purpose of the Simon Fraser University Administrative And Professional Staff Association is to assist Simon Fraser University in the achievement of academic and teaching excellence through the administrative and professional action of the members of the Association; to maintain high standards of excellence in administrative and professional matters; to negotiate as a group with Simon Fraser University on behalf of all full members of the Association with respect to all matters concerning terms and conditions of employment; to promote the interests of the members of the Association and to advise them on matters of concern to them; and to encourage the professional and career development of its members

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, 2015
(Unaudited)

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.

Financial instruments

The Association recognizes its financial instruments when the Association becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value, including financial assets and liabilities originated and issued in a related party transaction with management. Financial assets and liabilities originated and issued in all other related party transactions are initially measured at their carrying or exchange amount in accordance with ASNPO 4460 *Disclosure of Related Party Transactions by Not-for-profit Organizations*.

At initial recognition, the Association may irrevocably elect to subsequently measure any 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 at fair value. Fair value is determined by quoted market prices. Investments in equity instruments not quoted in an active market are subsequently measured at cost less impairment. 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 the excess (deficiency) of revenues over expenses for the current period. Conversely, transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

Financial asset impairment:

The Association assesses impairment of all of its financial assets measured at cost or amortized cost. 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. If so, 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; 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 (deficiency) of revenues 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 (deficiency) of revenues over expenses in the year the reversal occurs.

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	30,55,100 %
Office equipment	30 %

Simon Fraser University Administrative And Professional Staff Association

Notes to the Financial Statements

For the year ended June 30, 2015
(Unaudited)

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

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 (deficiency) of revenues over expenses in the periods in which they become known.

3. Investments

	2015	2014
Short-term:		
GIC, interest at 1.55%, matured January 22, 2015	-	53,981
GIC, interest at 1.55%, matured January 22, 2015	-	55,304
GIC, interest at 1.50%, matures August 27, 2015	51,391	-
GIC, interest at 1.50%, matures September 2, 2015	51,455	-
GIC, interest at 2.00%, matures February 27, 2016	51,861	-
GIC, interest at 1.50%, matures May 14, 2016	111,594	-
	266,301	109,285
Long-term:		
GIC, interest at 2.00%, matures July 22, 2016	110,992	-
GIC, interest at 1.50%, matures August 27, 2015	-	50,633
GIC, interest at 1.50%, matures September 2, 2015	-	51,453
GIC, interest at 2.0%, matures February 27, 2016	-	50,844
GIC, interest at 1.50%, matures May 14, 2016	-	109,405
	110,992	262,335
	377,293	371,620

4. Capital assets

			2015	2014
	<i>Cost</i>	<i>Accumulated amortization</i>	<i>Net book value</i>	<i>Net book value</i>
Computer equipment	35,908	26,726	9,182	4,930
Office equipment	10,978	9,687	1,291	1,843
	46,886	36,413	10,473	6,773

Simon Fraser University Administrative And Professional Staff Association

Notes to the Financial Statements

For the year ended June 30, 2015
(Unaudited)

5. Inter-fund transfers

During the year, the Association transferred \$8,250 (2014 - \$0) from the unrestricted fund to provide for expenditures in the investment in capital assets fund.

During the year, the Association transferred \$70,670 (2014 - \$72,119) from the unrestricted fund to the internally restricted fund to provide for the current year's allocation:

	2015	2014
1/6 of income from membership dues per internal requirement	68,464	69,683
Interest income	2,206	2,436
	70,670	72,119

6. 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 three office members of the Association. The Association is then billed for the amounts relating to those wages paid by SFU.

7. 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, 2015.

8. 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 rate, 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 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. The risk has not changed from the prior year.

9. Comparative figures

Certain comparative figures have been reclassified to conform with current year presentation.