

CBC PENSIONERS NATIONAL ASSOCIATION

FINANCIAL STATEMENTS

MARCH 31, 2020

CBC PENSIONERS NATIONAL ASSOCIATION

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INDEPENDENT AUDITOR'S REPORT

To the Members of
CBC Pensioners National Association

Opinion

We have audited the financial statements of CBC Pensioners National Association (the Association), which comprise the statement of financial position as at March 31, 2020, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Association as at March 31, 2020, 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.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Association in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Chartered Professional Accountants, Licensed Public Accountants

Ottawa, Ontario
August 5, 2020

CBC PENSIONERS NATIONAL ASSOCIATION

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED MARCH 31, 2020

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	2020	2019
REVENUE		
Membership dues	\$ 473,920	\$ 461,094
Interest	8,039	9,060
Other	13,659	12,887
	495,618	483,041
TRANSFERS		
Transfers to regions	140,360	137,654
Payments to chapters	25,654	24,697
85 and over refunds	20,484	23,831
	186,498	186,182
NET REVENUE	309,120	296,859
EXPENSES		
Meetings and conventions	82,688	92,201
Communications	55,151	49,401
Honoraria	51,001	54,211
Travel	25,255	13,779
Rent	20,959	20,349
Translation	14,450	33,360
Telecommunications	7,791	6,274
Insurance	4,905	4,757
Office	4,578	4,982
Office furniture and equipment	282	1,019
2018 Triennial Convention	-	69,350
Professional fees	6,808	6,469
Interest and service charges	940	1,175
	274,808	357,327
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ 34,312	\$ (60,468)

CBC PENSIONERS NATIONAL ASSOCIATION

STATEMENT OF CHANGES IN NET ASSETS

FOR THE YEAR ENDED MARCH 31, 2020

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	Unrestricted	Internal restrictions (Note 3)	2020 Total	2019 Total
BALANCE, BEGINNING OF YEAR	\$ 384,751	\$ 25,000	\$ 409,751	\$ 470,219
Excess (deficiency) of revenue over expenses	34,312	-	34,312	(60,468)
Interfund transfer (Note 3)	(25,000)	25,000	-	-
BALANCE, END OF YEAR	\$ 394,063	\$ 50,000	\$ 444,063	\$ 409,751

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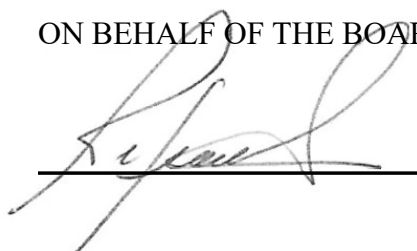
STATEMENT OF FINANCIAL POSITION

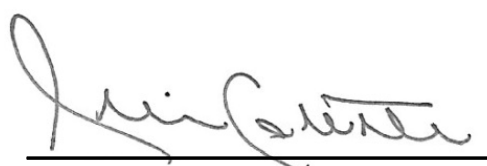
MARCH 31, 2020

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	2020	2019
ASSETS		
CURRENT ASSETS		
Cash	\$ 146,190	\$ 96,377
Prepaid expenses	13,762	9,906
Current portion of investments (Note 4)	136,596	150,991
	296,548	257,274
INVESTMENTS (Note 4)	155,406	159,553
	\$ 451,954	\$ 416,827
LIABILITY		
CURRENT LIABILITY		
Accounts payable	\$ 7,891	\$ 7,076
NET ASSETS		
Unrestricted	394,063	384,751
Internal restrictions (Note 3)	50,000	25,000
	444,063	409,751
	\$ 451,954	\$ 416,827

ON BEHALF OF THE BOARD


_____, Director


_____, Director

CBC PENSIONERS NATIONAL ASSOCIATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2020

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	2020	2019
OPERATING ACTIVITIES		
Excess (deficiency) of revenue over expenses	\$ 34,312	\$ (60,468)
Net change in non-cash working capital items:		
Prepaid expenses	(3,856)	1,947
Accounts payable	815	(1,512)
	(3,041)	435
	31,271	(60,033)
INVESTING ACTIVITIES		
Acquisition of term deposits	(130,000)	(239,040)
Proceeds of term deposits	148,542	314,100
	18,542	75,060
INCREASE IN CASH AND CASH EQUIVALENTS	49,813	15,027
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	96,377	81,350
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 146,190	\$ 96,377

Cash and cash equivalents consist of cash.

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NOTES TO THE FINANCIAL STATEMENTS

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1. STATUTE AND NATURE OF OPERATIONS

The CBC Pensioners National Association (the "Association") is a not-for-profit organization incorporated under the Canada Not-for-Profit Corporations Act, and operates as a non-profit association that provides various services to its members. The Association is exempt from income tax under Section 149(1)(1) of the Income Tax Act.

2. SIGNIFICANT ACCOUNTING POLICIES

The Association applies Canadian accounting standards for not-for-profit organizations (ASNFP) in accordance with Part III of the CPA Canada Handbook – Accounting.

Revenue recognition

Membership dues are recognized as revenue in the year in which they become due if the amount to be received can be reasonably estimated and collection is reasonably assured. Membership dues that pertain to subsequent years are deferred and recognized as revenue in the period to which they relate.

Other revenue and interest are recognized when they become due.

Cash and cash equivalents

The Association's policy is to disclose bank balances under cash and cash equivalents, including bank overdrafts with balances that can fluctuate from being positive to overdrawn.

Capital assets

Capital assets are recorded as expenses in the period in which they are acquired.

Financial instruments

Measurement of financial instruments

The Association initially measures its financial assets and financial liabilities at fair value, except for certain non-arm's length transactions.

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

Financial assets measured at amortized cost include cash and investments.

Financial liabilities measured at amortized cost include accounts payable.

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NOTES TO THE FINANCIAL STATEMENTS

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2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Impairment

Financial assets measured at amortized cost are tested for impairment when there are indicators of possible impairment. The Association determines whether a significant adverse change has occurred in the expected timing or amount of future cash flows from the financial asset. If this is the case, the carrying amount of the asset is reduced directly to the higher of the present value of the cash flows expected to be generated by holding the asset, and the amount that could be realized by selling the asset at the balance sheet date. The amount of the write-down is recognized in operations. The previously recognized impairment loss may be reversed to the extent of the improvement, 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 operations.

Transaction costs

Transaction costs related to financial instruments subsequently measured at amortized cost adjust the carrying amount of the financial asset or liability and are accounted for in the statement of operations using the straight-line method.

3. INTERNAL RESTRICTIONS

During the year, the Board of Directors approved the transfer of \$25,000 (2019: \$25,000) to the Internally Restricted Fund for the 2021 Triennial Convention. This internally restricted amount is not available for any other purpose unless approved by the Board of Directors.

4. INVESTMENTS

	2020	2019
Term deposit, 0.66% - 2.45%, maturing between April 2020 and August 2022	\$ 292,002	\$ 310,544
Current portion of investments	136,596	150,991
	\$ 155,406	\$ 159,553

Estimated payments for the next three years are as follows:

2021	\$ 136,596
2022	\$ 75,497
2023	\$ 80,000

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NOTES TO THE FINANCIAL STATEMENTS

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5. COMMITMENT

The commitment of the Association under a lease agreement for the rental of premises maturing in November 2022 aggregates to \$53,552. The instalments over the next three years are the following:

2021	\$	19,578
2022	\$	20,211
2023	\$	13,763