

**STFX ASSOCIATION OF UNIVERSITY TEACHERS**

**Financial Statements**

**March 31, 2022**

*(Unaudited)*



MacDonald &  
Murphy Inc.

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## INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members of StFX Association of University Teachers

We have reviewed the accompanying financial statements of StFX Association of University Teachers that comprise the statement of financial position as at March 31, 2022 and the statements of revenues and expenses, changes in net assets and cash flow 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 these financial statements do not present fairly, in all material respects, the financial position of StFX Association of University Teachers as at March 31, 2022, and the results of its operations and its cash flows for the year then ended in accordance with the Canadian accounting standards for not-for-profit organizations.

Antigonish, Nova Scotia  
May 18, 2022

MacDonald & Murphy Inc.  
Chartered Professional Accountants



MacDonald &  
Murphy Inc.

## STFX ASSOCIATION OF UNIVERSITY TEACHERS

## Statement of Revenues and Expenses

Year Ended March 31, 2022

(Unaudited)

	2022	2021
<b>Revenues</b>		
Membership dues	\$ 306,590	\$ 281,097
Contributions received for bursaries	1,638	3,107
	<u>308,228</u>	<u>284,204</u>
<b>Expenses</b>		
Accounting fees	2,645	2,645
Donations/Academic Freedom	8,280	11,300
Dues, fees and memberships	130,883	122,337
Insurance	875	875
Interest and bank charges	56	40
Legal fees and negotiations	38,444	65,883
Office	3,155	3,864
Prizes and awards	8,681	11,049
Professional development	106	
Salaries, wages, and benefits	63,047	60,656
Social events	2,892	4,301
Stipends and course relief	14,000	7,000
Strike support and expenses	10,000	
	<u>283,064</u>	<u>289,950</u>
<b>Excess (deficiency) of revenues over expenses from operations</b>	<u>25,164</u>	<u>(5,746)</u>
<b>Other income</b>		
Investment income	11,731	6,273
Gain on sale of marketable securities	7,987	
Unrealized gain on marketable securities	35,150	5,722
Investment management fees	(5,855)	
	<u>49,013</u>	<u>11,995</u>
<b>Excess of revenues over expenses</b>	<u>\$ 74,177</u>	<u>\$ 6,249</u>



## STFX ASSOCIATION OF UNIVERSITY TEACHERS

## Statement of Changes in Net Assets

Year Ended March 31, 2022

(Unaudited)

	Operating Fund	Reserve Fund	2022	2021
<b>Net assets - beginning of year</b>	\$ 29,486	\$ 646,593	\$ 676,079	\$ 669,830
Excess of revenues over expenses	74,177		74,177	6,249
Investment increase net income, reserve fund	(13,863)	13,863		
Unrealized gain (loss) on investments	(35,150)	35,150		
Change, current year	25,164	49,013	74,177	6,249
<b>Net assets - end of year</b>	\$ 54,650	\$ 695,606	\$ 750,256	\$ 676,079

## STFX ASSOCIATION OF UNIVERSITY TEACHERS

## Statement of Financial Position

March 31, 2022

(Unaudited)

	2022	2021
<b>ASSETS</b>		
<b>Current</b>		
Cash and cash equivalents (Note 3)	\$ 153,943	\$ 491,663
Marketable securities (Note 4)	592,764	161,450
Amounts refundable	260	
STFX University, receivable	3,289	22,966
	<u>\$ 750,256</u>	<u>\$ 676,079</u>
<b>NET ASSETS</b>		
<b>Operating fund</b>	\$ 54,650	\$ 29,486
<b>Reserve fund (Note 6)</b>	695,606	646,593
	<u>\$ 750,256</u>	<u>\$ 676,079</u>

ON BEHALF OF THE BOARD

\_\_\_\_\_  
Director\_\_\_\_\_  
Director

## STFX ASSOCIATION OF UNIVERSITY TEACHERS

Statement of Cash Flow  
Year Ended March 31, 2022

(Unaudited)

	2022	2021
<b>Operating activities</b>		
Cash receipts from members	\$ 321,832	\$ 291,586
Cash paid to suppliers and employees	(263,193)	(304,856)
Interest paid	(59)	(40)
	<u>58,580</u>	<u>(13,310)</u>
<b>Investing activity</b>		
Purchase of marketable securities	<u>(396,300)</u>	<u>(4,530)</u>
<b>Decrease in cash flow</b>	<b>(337,720)</b>	<b>(17,840)</b>
<b>Cash and cash equivalents - beginning of year</b>	<b>491,663</b>	<b>509,503</b>
<b>Cash and cash equivalents - end of year (Note 3)</b>	<b><u>\$ 153,943</u></b>	<b><u>\$ 491,663</u></b>

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**1. Purpose of the association**

StFX Association of University Teachers (the "association") is a not-for-profit organization incorporated provincially under the Societies Act of the Province of Nova Scotia. Management has determined that they are exempt from payment of income tax under Section 149(1) of the Income Tax 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 management's opinion, with consideration of materiality and within the framework of the following accounting policies:

**Cash and cash equivalents**

Cash and cash equivalents is defined as cash on hand and cash on deposit, net of cheques issued and outstanding at the reporting date.

**Contributed services**

The operations of the organization depend on both the contribution of time by volunteers and donated materials from various sources. The fair value of donated materials and services cannot be reasonably determined and are therefore not reflected in these financial statements.

**Financial instruments**

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

**Fund accounting**

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

The Operating 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.

**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.

(continues)

**2. Summary of significant accounting policies (continued)****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 Operating Fund in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the appropriate restricted fund.

Unrestricted contributions are recognized as revenue of the Operating 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.

**3. Cash and cash equivalents**

	2022	2021
Savings bank account	\$ 102,842	\$ 102,782
iTrade Cash Balance		382,361
Operating bank account	50,419	5,837
Share accounts	682	683
	<u>\$ 153,943</u>	<u>\$ 491,663</u>

**4. Marketable securities**

	2022	2021
Seamark Pooled Canadian Bond Fund	\$ 174,889	\$
Seamark Pooled Total Equity Fund	417,875	
Scotia Selected Balanced Income Fund		113,105
BMO Long Provincial Bond		48,345
	<u>\$ 592,764</u>	<u>\$ 161,450</u>
Cost	<u>\$ 550,812</u>	<u>\$ 154,512</u>

**5. Related party transactions**

During the year ended March 31, 2022, the Association paid \$79,788 for administration and other fees (2021 - \$67,043) 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. 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>2022</u>	<u>2021</u>
Savings bank account	\$ 102,842	\$ 102,782
iTrade Cash Balance		382,361
iTrade Investment Account		161,450
Seamark Investment Account	<u>592,764</u>	
	<u>\$ 695,606</u>	<u>\$ 646,593</u>

**7. 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, 2022.

**(a) Credit risk**

Credit risk arises from the potential that a counter party will fail to perform its obligations. The association is exposed to credit risk from customers. In order to reduce its credit risk, the association reviews a new customer's credit history before extending credit and conducts regular reviews of its existing customers' credit performance. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The association has a significant number of customers which minimizes concentration of credit risk.

**(b) Market risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency rate risk, interest rate risk and other price risk.

**(c) 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 floating interest rate bank indebtedness and credit facilities.

**8. Comparative figures**

Some of the comparative figures have been reclassified to conform to the current year's presentation.