

**YUFA Trust Fund**

**Financial Statements**

**April 30, 2017**

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## **Independent Auditors' Report**

To the Trustees of YUFA Trust Fund

We have audited the accompanying financial statements of YUFA Trust Fund which comprise the balance sheet as at April 30, 2017 and the statements of receipts and disbursements and 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.

### **Auditors' responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion, the financial statements present fairly, in all material respects, the financial position of YUFA Trust Fund, as at April 30, 2017 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.

Chartered Accountants  
Licensed Public Accountants  
Toronto, Ontario

## Balance Sheet

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	Notes	April 30	
		2017	2016
<b>Assets</b>			
Cash		\$ 186,801	\$ 176,537
Accounts receivable		21,685	4,303
Loan receivable	2	105,000	-
Investments	3	636,275	627,939
		<u>\$ 949,761</u>	<u>\$ 808,779</u>
<b>Liabilities</b>			
Accounts payable and accrued liabilities		\$ 18,174	\$ 10,923
Due to Y.U.F.A. Foundation	4	8,000	4,000
		<u>26,174</u>	<u>14,923</u>
<b>Net Assets</b>		<u>923,587</u>	<u>793,856</u>
		<u>\$ 949,761</u>	<u>\$ 808,779</u>

See accompanying notes

**Approved on behalf of the Trustess of  
YUFA Trust Fund:**

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 Paul Evans, Chair

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 Hongmei Zhu, Treasurer

## Statement of Receipts and Disbursements and Net Assets

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		Year ended April 30	
		2017	2016
<b>Receipts</b>	<b>Notes</b>		
Employment insurance premium rebates received		\$ 115,150	\$ 113,566
Investment income (loss) (page 4)		30,194	(10,138)
		<u>145,344</u>	<u>103,428</u>
<b>Disbursements</b>			
Disbursements on behalf of members Administration	5	10,000	80,882
		5,613	5,053
		<u>15,613</u>	<u>85,935</u>
Excess of receipts over disbursements		129,731	17,493
Net assets, beginning of year		<u>793,856</u>	<u>776,363</u>
Net assets, end of year		<u>\$ 923,587</u>	<u>\$ 793,856</u>

See accompanying notes

Statement of Investment Income

	Year ended April 30	
	2017	2016
Revenue		
Investment income	\$ 12,057	\$ 13,213
Unrealized gain (loss) on investments	18,137	(23,351)
	<u>\$ 30,194</u>	<u>\$ (10,138)</u>

See accompanying notes

## Statement of Cash Flows

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	Year ended April 30	
	2017	2016
Net cash provided by (used in)		
Operations		
Excess of revenue over expenses for the year	\$ 129,731	\$ 17,493
Unrealized loss (gain) on investments	(18,137)	23,351
Changes in non-cash working capital items:		
Accounts receivable	(17,382)	(655)
Loan receivable	(105,000)	-
Accounts payable and accrued liabilities	7,251	251
Due to Y.U.F.A. Foundation	4,000	(8,431)
	<u>463</u>	<u>32,009</u>
Investing		
Sales of investments	462,640	200,000
Purchase of investments	(452,839)	(207,900)
	<u>9,801</u>	<u>(7,900)</u>
Net increase in cash during the year	10,264	24,109
Cash, beginning of year	<u>176,537</u>	<u>152,428</u>
Cash, end of year	<u>\$ 186,801</u>	<u>\$ 176,537</u>

See accompanying notes

**Notes to the Financial Statements**  
**April 30, 2017**

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The Trust was created on March 16, 1982 as a result of an agreement between York University Faculty Association and the Trustees, to provide benefits of any kind to or for the faculty members of York University.

The Trust's original equity, in the amount of \$87,651, came from the reductions in employment insurance premiums collected from the faculty members during the period May 1, 1978 to March 16, 1982, with interest thereon, as a consequence of an amendment to the collective agreement between York University Faculty Association and York University. Since the beginning of the Trust, employment insurance premium rebates have been received in the amount of \$2,056,084.

The trustees have determined, acting on the advice of counsel, that the Trust is a "labour organization" within the meaning of section 149(1)(k) of the Income Tax Act and is exempt from income taxes.

**1. Summary of accounting policies****Basis of presentation**

The financial statements have been prepared using the Canadian Accounting Standards for not-for-profit organizations.

**Revenue recognition**

The Trust receives the York University Faculty Association's share of the employment insurance rebate and records it as a capital contribution in the month of receipt. Interest is recorded as earned.

**Measurements of financial instruments**

The Trust initially measures its financial assets and liabilities at fair value. The Trust 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. The Trust has not designated any financial asset or financial liability to be measured at fair value except for investments.

**Use of estimates**

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organization 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 amount of revenue and expenses during the reporting period. Such estimates include accrued liabilities. Actual results could differ from management's best estimates as additional information becomes available in the future.

**2. Loan receivable**

The loan to YUFA is non-interest bearing and to be repaid in three annual payments of \$35,000 each, starting May 1, 2017. The first payment was delayed and it is not expected to be received until May 1, 2018.



Notes to the Financial Statements  
April 30, 2017

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**3. Investments**

	2017		2016	
	Cost	Fair Value	Cost	Fair Value
Guaranteed investment certificates	\$ 321,000	\$ 321,000	\$ 462,640	\$ 462,640
Preferred shares	322,494	315,275	190,656	165,299
	<u>\$ 643,494</u>	<u>\$ 636,275</u>	<u>\$ 653,296</u>	<u>\$ 627,939</u>

The guaranteed investment certificates bear interest at 1.0% to 1.4% maturing between May 15, 2017 and August 31, 2017.

**4. Due to Y.U.F.A. Foundation**

The loan is non-interest bearing and due on demand.

**5. Contributions and benefits provided for faculty members**

	2017	2016
York University Retired Faculty and Librarians Benefit Trust Fund	\$ -	\$ 38,882
Advanced Credit Experience, annual grant	10,000	26,000
Coordinator for Advanced Credit Experience	-	16,000
	<u>\$ 10,000</u>	<u>\$ 80,882</u>

To date the Trust has made contributions in the amount of \$2,448,080 to provide benefits on behalf of faculty members.

**6. Related parties**

Two of the trustees also act as a director of the Y.U.F.A. Foundation, and another is an officer of the York University Faculty Association.

**7. Financial risks****Credit risk**

The carrying value of cash, accounts receivable, and accounts payable and accrued liabilities, approximates their fair market value due to the immediate or short-term maturity of these instruments. In management's opinion, the Trust is not exposed to any significant concentration of interest rate, credit or currency risk with respect to these financial instruments.

**Liquidity risk**

The Trust considers that it has sufficient credit facilities and investments to ensure that funds are available to meet its current and long-term financial needs.

**Market risk**

The Trust is exposed to market risk with respect to its investments.