

**Y.U.F.A. TRUST FUND**  
**FINANCIAL STATEMENTS**

30 April 2007

**P C**

Philip Creighton, FCA  
Chartered Accountant

**Y.U.F.A. TRUST FUND**  
**Statement of revenue and expense**  
Year ended 30 April 2007

	2007	2006
<b>Revenue</b>		
Interest	\$ <u>23,658</u>	\$ <u>18,022</u>
<b>Expense</b>		
Write down of investments to par and loss on disposal (note 4)	\$ 2,211	\$ 6,927
Administration	<u>1,379</u>	<u>1,331</u>
	<u>\$ 3,590</u>	<u>\$ 8,258</u>
<b>Excess of revenue over expense</b>	<u>\$ 20,068</u>	<u>\$ 9,764</u>

**Y.U.F.A. TRUST FUND**  
**Changes in net assets**  
Year ended 30 April 2007

	2007	2006
<b>Net assets at beginning of year</b>	\$ 441,382	\$ 357,734
Excess of revenue over expense	20,068	9,764
Contribution to summer literacy camps and Advanced Credit Experience	(15,000)	(5,000)
Contribution to fund Faculty of Health scholarship.	(30,000)	-
Contribution to Y.U.F.A. Foundation	(6,588)	(2,000)
Employment insurance premium rebates received during year	<u>94,158</u>	<u>80,884</u>
<b>Net assets at end of year</b>	<u>\$ 504,020</u>	<u>\$ 441,382</u>

**Y.U.F.A. TRUST FUND**  
**Statement of financial position**  
30 April 2007

	2007	2006
<b>ASSETS</b>		
Cash	\$ 89,878	\$ 77,906
Accounts receivable (note 3)	12,558	12,828
Investments (note 4)	<u>432,908</u>	<u>353,211</u>
	<u>\$ 535,344</u>	<u>\$ 443,945</u>
<b>LIABILITIES</b>		
Accounts payable	\$ 1,324	\$ 2,563
Grant payable (note 5)	<u>30,000</u>	<u>-</u>
	\$ 31,324	\$ 2,563
<b>NET ASSETS</b>		
Net assets (note 6) - restricted	<u>504,020</u>	<u>441,382</u>
	<u>\$ 535,344</u>	<u>\$ 443,945</u>

Approved upon behalf of the Trustees

Paul Evans      Walter Whiteley

## **Auditor's report**

To the trustees of the Y.U.F.A. Trust Fund

I have audited the statement of financial position of the Y.U.F.A. Trust Fund as at 30 April 2007 and the statements of revenue and expense, and changes in net assets for the year then ended. These financial statements are the responsibility of the Trust Fund's management. My responsibility is to express an opinion on these financial statements, based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. These standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion these financial statements present fairly, in all material respects, the financial position of the Y.U.F.A. Trust Fund as at 30 April 2007 and the results of its operations and the changes in its cash flows for the year then ended, in accordance with Canadian generally accepted accounting principles.

Toronto  
2 October 2007

Chartered accountant

**Y.U.F.A. TRUST FUND**  
**Notes to financial statements**  
Year ended 30 April 2007

### **1. Purpose statement**

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

### **2. Accounting policies**

The Trust employs generally accepted accounting principles appropriate for a contractual trust. The major principles are described below:

#### **Basis of accounting**

The Trust follows the accrual basis of accounting, under which revenue and expense are reflected in the year in which they are earned or incurred without regard to the receipt or payment of cash.

#### **Investments**

Investments are valued at lower of cost and market.

#### **Revenue recognition**

Interest is recorded as earned. Employment insurance is recorded as received with the month of receipt the same as the month in which the rebate is earned.

#### **Tax status of the Trust**

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

## **Y.U.F.A. TRUST FUND**

### **Notes to financial statements** (continued)

Year ended 30 April 2007

#### **Statement of cash flows**

The Trust has not provided a statement of cash flows because, as the assets are virtually all cash or its equivalent, the statement of revenue and expense, and changes in net assets discloses, adequately, the changes in financial position during the year.

#### **3. Accounts receivable**

Accounts receivable consist of accrued interest, and cash at the broker's.

#### **4. Investments**

Investments are debt securities of Canadian governments and corporations maturing 22 August 2007 to 21 April 2021 with interest rates of 4.25 to 6.46%. Market value was \$427,200 (2006, \$354,100). During the year the trustees determined that the carrying value of one of the Trust's investments had been permanently impaired by the general rise in interest rates, and wrote it down to par at a cost of \$1,596, as the trustees intend to hold this investment to maturity.

#### **5. Grant payable**

During the year the Trust agreed to contribute \$30,000, to be matched by the Province of Ontario to provide an undergraduate scholarship in the Faculty of Education. The Trust is awaiting a signed agreement.

#### **6. Net assets**

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 1 May 1978 to 16 March 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, continuing employment insurance premium rebates have been received in the amount of \$1,176,342.

#### **7. Related parties**

One of the trustees also act as a director of the Y.U.F.A. Foundation, and another is a member of YUFA's Executive Committee.

During the year the Trust paid \$6,588 to the Foundation representing a \$8,000 capital contribution for scholarships, and \$1,958 paid out on behalf of the Foundation for past and current administrative expenses, less \$3,370 for the Osgoode Hall contribution to the Foundation's scholarship program. The contribution to the Foundation was \$2,000 in the prior year. The Osgoode Hall contribution comes from its faculty members' share in the employment insurance savings flowing through the Trust. There were no other transactions between the Trust and the Foundation or the Association.

#### **8. Benefits provided for faculty members**

During the year the Trust contributed \$6,588, as described in Note 7 above, (2006, \$2,000) to the Y.U.F.A. Foundation, and \$15,000 (2006, \$5,000) to summer literacy camps and the Advance Credit Experience program involving the local community.

To date the Trust has made contributions in the amount of \$1,683,110 to provide benefits to or for faculty members.

#### **9. Future commitments**

In 2000 the Trust has agreed to partially fund an endowment for the Government of Ontario YUFA Graduate Scholarship in Science and Technology with \$5,000 each year for eight years. The final instalment will be due in May 2007.

The Trust has agreed to fund, equally with the the Government of Ontario, an endowment for the YUFA Faculty of Health scholarship. The Trust's contribution will amount to \$30,000. In order to enable scholarships to be awarded prior to the accumulation of endowment income, additional amounts will be contributed to the Foundation: \$3,000 in 2007 and 2008.