

YUFA Trust Fund

Financial Statements

April 30, 2018

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April 10, 2019

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, 2018 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, 2018 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.

A handwritten signature in blue ink that reads 'Chaplin & Co.' with a stylized flourish at the end.

Chartered Accountants
Licensed Public Accountants
Toronto, Ontario

Roger Chaplin CPA, CA LPA MA [Oxon] Gail Bergman CPA, CA LPA B Comm

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YUFA Trust Fund

Balance Sheet

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	Notes	April 30	
		2018	2017
Assets			
Cash		\$ 149,018	\$ 186,801
Accounts receivable		22,300	21,685
Due from Y.U.F.A. Foundation	2	4,000	8,000
Loan receivable	3	105,000	105,000
Investments	4	664,540	636,275
		<u>\$ 944,858</u>	<u>\$ 957,761</u>
Liabilities			
Accounts payable and accrued liabilities		\$ 28,288	\$ 18,174
Net Assets		<u>916,570</u>	<u>939,587</u>
		<u>\$ 944,858</u>	<u>\$ 957,761</u>

See accompanying notes

Approved on behalf of the Trustess of
YUFA Trust Fund:

Paul Evans, Chair

Hongmei Zhu, Treasurer

YUFA Trust Fund

Statement of Receipts and Disbursements and Net Assets

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	Notes	Year ended April 30	
		2018	2017
Receipts			
Employment insurance premium rebates received		\$ 119,557	\$ 115,150
Investment income (page 4)		22,527	30,194
		<u>142,084</u>	<u>145,344</u>
Disbursements			
Disbursements on behalf of members Administration	5	160,000	10,000
		5,101	5,613
		<u>165,101</u>	<u>15,613</u>
Excess of receipts over disbursements (disbursements over receipts)		(23,017)	129,731
Net assets, beginning of year		<u>939,587</u>	<u>809,856</u>
Net assets, end of year		<u>\$ 916,570</u>	<u>\$ 939,587</u>

See accompanying notes

YUFA Trust Fund

Statement of Investment Income

	Year ended April 30	
	2018	2017
Revenue		
Investment income	\$ 12,937	\$ 12,057
Unrealized gain on investments	9,590	18,137
	<u>\$ 22,527</u>	<u>\$ 30,194</u>

See accompanying notes

YUFA Trust Fund

Statement of Cash Flows

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	Year ended April 30	
	2018	2017
Net cash provided by (used in)		
Operations		
Excess of receipts over disbursements (disbursements over revenue) for the year	\$ (23,017)	\$ 129,731
Unrealized gain on investments	(9,590)	(18,137)
Changes in non-cash working capital items:		
Accounts receivable	(615)	(17,382)
Loan receivable	-	(105,000)
Accounts payable and accrued liabilities	10,114	7,251
Due from Y.U.F.A. Foundation	4,000	4,000
	<u>(19,108)</u>	<u>463</u>
Investing		
Sales of investments	376,000	462,640
Purchase of investments	(394,675)	(452,839)
	<u>(18,675)</u>	<u>9,801</u>
Net increase (decrease) in cash during the year	(37,783)	10,264
Cash, beginning of year	<u>186,801</u>	<u>176,537</u>
Cash, end of year	<u>\$ 149,018</u>	<u>\$ 186,801</u>

See accompanying notes

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 \$2,171,641.

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. Due from Y.U.F.A. Foundation

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

3. 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.

YUFA Trust Fund

Notes to the Financial Statements
April 30, 2018

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4. Investments

	2018		2017	
	Cost	Fair Value	Cost	Fair Value
Guaranteed investment certificates and cash equivalents	\$ 339,676	\$ 339,676	\$ 321,000	\$ 321,000
Preferred shares	322,494	324,865	322,494	315,275
	<u>\$ 662,170</u>	<u>\$ 664,541</u>	<u>\$ 643,494</u>	<u>\$ 636,275</u>

The guaranteed investment certificates bear interest at 1.15% to 1.52% maturing between June 25, 2018 and September 4, 2018.

5. Contributions and benefits provided for faculty members

	2018	2017
YUFA Community Projects	\$ 100,000	\$ -
Faculty Graduate Student Bistro	50,000	-
Advanced Credit Experience, annual grant	10,000	10,000
	<u>\$ 160,000</u>	<u>\$ 10,000</u>

To date the Trust has made contributions in the amount of \$2,592,080 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. Commitments

The Trust has made the following commitments:

YUFA Community Projects	\$ 100,000
Advanced credit Experience	\$ 10,000

8. 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.