

NORTH WEST TEACHERS' ASSOCIATION

Financial Statements

June 30, 2017

Management's Responsibility

To the members of North West Teachers' Association:

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian accounting standards for not-for-profit organizations and ensuring that all information in the annual report is consistent with the statements. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board is composed of directors who are not employees of the organization. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities. The Board fulfils these responsibilities by reviewing the financial information prepared by the administration and discussing relevant matters with external auditors. The Board is also responsible for recommending the appointment of the organization's external auditors.

Holm Raiche Oberg, Chartered Professional Accountants P.C. Ltd. an independent firm of chartered professional accountants, is appointed by the Board to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Board and administration to discuss their audit findings.



President

January 23, 2018
Date



Treasurer



Holm Raiche Oberg
Chartered Professional Accountants P.C. Ltd.

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INDEPENDENT AUDITOR'S REPORT

To the Members of North West Teachers' Association

We have audited the accompanying financial statements of North West Teachers' Association, which comprise the statement of financial position as at June 30, 2017 and the statements of revenues and expenditures, changes in net assets and cash flows for the ten month period 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.

Auditor's 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 auditor's 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 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 North West Teachers' Association as at June 30, 2017 and the results of its operations and its cash flows for the period then ended in accordance with Canadian accounting standards for not-for-profit organizations.

North Battleford, Saskatchewan
January 23, 2018

Holm Raiche Oberg

Chartered Professional Accountants

Graham K. Holm, CPA, CA* Loralie A. Raiche, CPA, CA, CFP* Dallan D. Oberg, CPA, CA*

*Denotes a professional corporation



NORTH WEST TEACHERS' ASSOCIATION**Statement of Financial Position****June 30, 2017**

	<i>June 30</i> 2017	<i>August 31</i> 2016
<u>ASSETS</u>		
Current		
Cash	\$ 109,296	\$ 128,615
Inventories (<i>Note 3</i>)	4,082	2,639
Prepaid expenses	12,436	-
	<u>\$ 125,814</u>	<u>\$ 131,254</u>
<u>LIABILITIES</u>		
Current		
Accounts payable and accrued liabilities	\$ 1,650	\$ 1,650
<u>NET ASSETS</u>		
Unrestricted	<u>124,164</u>	<u>129,604</u>
	<u>\$ 125,814</u>	<u>\$ 131,254</u>

On behalf of the Board

*Director*_____
Director

See notes to financial statements

NORTH WEST TEACHERS' ASSOCIATION**Statement of Revenues and Expenditures
for the ten month period ended June 30, 2017**

	<i>June 30</i> 2017 <i>(10 months)</i>	<i>August 31</i> 2016 <i>(12 months)</i>
Revenue		
Convention fees	\$ -	\$ 18,334
Employment insurance rebate	26,347	25,912
Interest	392	464
Other income	25	200
Public relations	4,633	9,550
Teacher fees	30,585	12,832
	<u>61,982</u>	<u>67,292</u>
Expenses		
Administrative	820	344
Convention	34,940	42,877
Honorarium	18,408	23,073
NWTA meetings	5,056	8,714
Professional fees	1,831	1,831
Public relations	6,367	3,119
	<u>67,422</u>	<u>79,958</u>
Deficiency of revenue over expenses	\$ (5,440)	\$ (12,666)

NORTH WEST TEACHERS' ASSOCIATION

**Statement of Changes in Net Assets
for the ten month period ended June 30, 2017**

	<i>June 30</i> 2017	<i>August 31</i> 2016
Net assets - beginning of period	\$ 129,604	\$ 142,270
Deficiency of revenue over expenses	<u>(5,440)</u>	<u>(12,666)</u>
Net assets - end of period	<u>\$ 124,164</u>	<u>\$ 129,604</u>

See notes to financial statements

NORTH WEST TEACHERS' ASSOCIATION**Statement of Cash Flows****for the ten month period ended June 30, 2017**

	<i>June 30</i> 2017 <i>(10 months)</i>	<i>August 31</i> 2016 <i>(12 months)</i>
Operating activities		
Cash receipts from members and others	\$ 61,982	\$ 67,291
Cash paid to suppliers and members	<u>(81,301)</u>	<u>(76,090)</u>
Decrease in cash flow	(19,319)	(8,799)
Cash and cash equivalents - beginning of ten month period	<u>128,615</u>	<u>137,414</u>
Cash and cash equivalents - end of ten month period	<u>\$ 109,296</u>	<u>\$ 128,615</u>
 Cash and cash equivalents consists of:		
Cash	<u>\$ 109,296</u>	<u>\$ 128,615</u>

NORTH WEST TEACHERS' ASSOCIATION**Notes to Financial Statements****June 30, 2017**

1. Nature of the association

The North West Teachers' Association (NwTA) is an association representing the teachers employed by the Northwest School Division No. 203.

2. Significant accounting policies

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO). Outlined below are those policies the association considered particularly significant.

Cash and cash equivalents

The association's policy is to disclose bank balances under cash and cash equivalents, including bank overdrafts with balances that fluctuate frequently from being positive to overdrawn, bank lines of credit and term deposits with a maturity period of three months or less from the date of acquisition. Term deposits that the company cannot use for current transactions because they are pledged as security are also excluded from cash and cash equivalents.

Inventory

Inventory is valued at the lower of cost or net realizable value with cost being determined on a first-in, first-out basis. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs remaining to complete the sale.

Income taxes

As a not-for-profit organization under Section 149 (1) of the *Income Tax Act*, The North West Teachers' Association is exempt from taxes; therefore, no provision for income taxes is recorded in the financial statements.

Revenue recognition

North West Teachers' Association follows the restricted fund method of accounting for contributions.

Restricted contributions related to general operations are recognized as revenue of the unrestricted fund in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the appropriate restricted fund. Currently, the association has no restricted funds.

Unrestricted contributions are recognized as revenue of the unrestricted fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Convention fees are recognized as revenue of the unrestricted fund when the convention is held.

Interest income is recognized as revenue of the unrestricted fund when it is earned.

(continues)

NORTH WEST TEACHERS' ASSOCIATION**Notes to Financial Statements****June 30, 2017****2. Significant accounting policies (continued)**Measurement uncertainty

Certain amounts in the financial statements are subject to measurement uncertainty and are based on the association's best information and judgment. Actual results could differ from these estimates.

Examples of significant estimates include:

- the allowance for doubtful accounts;
- the allowance for inventory obsolescence.

Volunteer services

Volunteers contribute a significant amount of time to assist the association in carrying out its activities. Because of the difficulty of determining the fair value of such services, contributed services are not recognized in the financial statements.

3. Inventories

	<i>June 30</i> 2017	<i>August 31</i> 2016
Merchandise	\$ 4,082	\$ 2,639

4. Financial instruments

The association is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the association's risk exposure and concentration as of June 30, 2017.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The association is exposed to this risk mainly in respect of its receipt of funds from its members and accounts payable.

5. Comparative figures

The comparative figures are the result of operations for the year ending August 31, 2016. The current figures are the result of operations for the ten months ending June 30, 2017. The association changed its year end to more closely match their annual operating cycle.