

The Faculty Association, The University of Western Ontario

Financial Statements

Year ended April 30, 2009

The Faculty Association, The University of Western Ontario

Table of Contents

	Page
Auditors' Report	1
Financial Statements	
Statement of Operations	2
Statement of Changes in Fund Balances	3
Statement of Financial Position	4
Statement of Cash Flows	5
Notes to the Financial Statements	6 - 8



Chartered Accountants

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Auditors' Report

To the Directors of The Faculty Association, The University of Western Ontario

We have audited the statement of financial position of The Faculty Association, The University of Western Ontario as at April 30, 2009 and the statements of operations, changes in fund balances and cash flows for the year then ended. These financial statements are the responsibility of the Association's management. 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 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 accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Association as at April 30, 2009 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Collins Barrow KMD LLP

Licensed Public Accountants

London, Canada
July 22, 2009

The Faculty Association, The University of Western Ontario
Statement of Operations
Year ended April 30, 2009

	Operating Fund	Grievances and Collective Bargaining Fund	Scholarship Fund	2009	2008
Revenues					
Membership dues	\$ 1,186,712	\$ -	\$ 30,600	\$ 1,217,312	\$ 1,154,019
Dues for Canadian and Ontario Associations	(448,436)	-	-	(448,436)	(423,034)
Net membership dues	738,276	-	30,600	768,876	730,985
Interest income	12,893	22,585	-	35,478	51,806
	751,169	22,585	30,600	804,354	782,791
Expenditures					
Legal fees	226,400	-	-	226,400	120,704
Employee wages	223,219	-	-	223,219	221,907
Release time	51,431	-	-	51,431	53,582
Administration and general	36,815	-	-	36,815	30,811
Scholarships paid	-	-	30,600	30,600	41,789
Travel	18,187	-	-	18,187	18,549
Donations	14,450	-	-	14,450	14,200
Amortization	7,200	-	-	7,200	6,013
Other dues and memberships	6,644	-	-	6,644	7,008
Reception	5,308	-	-	5,308	7,796
Occupancy Costs	4,428	-	-	4,428	4,392
Accounting fees	4,043	-	-	4,043	4,210
Negotiations	236	-	-	236	89
	598,361	-	30,600	628,961	531,050
Excess of revenues over expenditures	\$ 152,808	\$ 22,585	\$ -	\$ 175,393	\$ 251,741

See accompanying notes

The Faculty Association, The University of Western Ontario
Statement of Changes in Fund Balances
Year ended April 30, 2009

	Operating Fund	Grievances and Collective Bargaining Fund	Scholarship Fund	2009	2008
Balance, beginning of year	\$ 670,546	\$ 1,151,577	\$ 6,939	\$ 1,829,062	\$ 1,577,321
Excess of revenues over expenditures	152,808	22,585	-	175,393	251,741
Interfund transfers	(196,597)	196,597	-	-	-
Balance, end of year	\$ 626,757	\$ 1,370,759	\$ 6,939	\$ 2,004,455	\$ 1,829,062

See accompanying notes

The Faculty Association, The University of Western Ontario

(Incorporated under the laws of Ontario)

Statement of Financial Position

As at April 30, 2009

	Operating Fund	Grievances and Collective Bargaining Fund	Scholarship Fund	2009	2008
ASSETS					
Current assets					
Cash	\$ 263,230	\$ -	\$ -	\$ 263,230	\$ 229,239
Membership dues receivable	315	-	-	315	102,811
Short-term investments	482,229	1,322,759	-	1,804,988	1,541,057
Prepaid expenses	1,061	-	-	1,061	1,401
Interfund balances	(54,939)	48,000	6,939	-	-
	691,896	1,370,759	6,939	2,069,594	1,874,508
Property, plant and equipment (note 3)	24,721	-	-	24,721	18,652
	\$ 716,617	\$ 1,370,759	\$ 6,939	\$ 2,094,315	\$ 1,893,160
LIABILITIES					
Current liabilities					
Accounts payable	\$ 89,680	\$ -	\$ -	\$ 89,680	\$ 62,839
Unearned revenue	180	-	-	180	1,259
	89,860	-	-	89,860	64,098
FUND BALANCES					
Operating fund	626,757	-	-	626,757	670,546
Grievances and collective bargaining fund (note 5)	-	1,370,759	-	1,370,759	1,151,577
Scholarship fund (note 4)	-	-	6,939	6,939	6,939
	626,757	1,370,759	6,939	2,004,455	1,829,062
	\$ 716,617	\$ 1,370,759	\$ 6,939	\$ 2,094,315	\$ 1,893,160

See accompanying notes

On behalf of the Board

Directors

The Faculty Association, The University of Western Ontario**Statement of Cash Flows****Year ended April 30, 2009**

	2009	2008
Operating activities		
Excess of revenues over expenditures	\$ 175,393	\$ 251,741
Item not affecting cash		
Amortization	7,200	6,013
	182,593	257,754
Change in non-cash working capital items		
Decrease (increase) in membership dues receivable	102,496	(101,789)
Decrease in interest receivable	-	32,359
Decrease (increase) in prepaid expenses	340	(303)
Increase in accounts payable	26,841	4,649
(Decrease) increase in unearned revenue	(1,079)	1,259
	311,191	193,929
Investing activity		
Purchase of property, plant and equipment	(13,269)	(5,070)
Change in cash position	297,922	188,859
Cash, beginning of year	1,770,296	1,581,437
Cash, end of year	\$ 2,068,218	\$ 1,770,296
Cash consists of:		
Cash	\$ 263,230	\$ 229,239
Short-term investments	1,804,988	1,541,057
	\$ 2,068,218	\$ 1,770,296

See accompanying notes

The Faculty Association, The University of Western Ontario**Notes to the Financial Statements****April 30, 2009**

1. Nature of operations

The Faculty Association, The University of Western Ontario is the certified bargaining agent for faculty teaching at least 1.0 courses per year (excluding clinical faculty) and for librarians and archivists at The University of Western Ontario. As a non-profit organization, The Faculty Association, The University of Western Ontario is not subject to income taxes on any earned income.

2. Significant accounting policies

These financial statements are prepared in accordance with Canadian generally accepted accounting principles. The significant policies are detailed as follows:

(a) Revenue Recognition

The Association follows the deferral method of accounting for contributions.

Operating grants and membership dues are recorded as revenue in the period to which they relate. Grants approved but not received at the end of an accounting period are accrued. Where a portion of a grant is related to a future period, it is deferred and recognized in the subsequent period.

Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Externally restricted contributions are recognized as revenue in the year in which the related expenses are recognized.

(b) Property, plant and equipment

Property, plant and equipment are recorded at cost. The Association provides for amortization using the following methods at rates designed to amortize the cost of the property, plant and equipment over their estimated useful lives. The annual amortization rates and methods are as follows:

Furniture and fixtures	20% Declining balance
Computer equipment	30% Declining balance
Computer software	30% Declining balance
Website development costs	3 years Straight-line

The Faculty Association, The University of Western Ontario
Notes to the Financial Statements
April 30, 2009

2. **Significant accounting policies, continued**

(c) **Use of estimates**

The preparation of financial statements in conformity with Canadian generally accepted accounting principles 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 balance sheet date and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

(d) **Financial instruments**

The Association's financial instruments consist of cash, short-term investments, membership dues receivable, interest receivable and accounts payable. Due to the current nature of these financial instruments, their carrying value approximates their fair value.

Short-term investments consist of interest bearing bank deposits, which are being held for trading. Unless otherwise noted it is management's opinion that the Association is not exposed to significant interest, currency or credit risks.

3. **Property, plant and equipment**

	2009		2008	
	Cost	Accumulated amortization	Net	Net
Furniture and fixtures	\$ 12,666	\$ 7,817	\$ 4,849	\$ 5,235
Computer equipment	32,387	21,740	10,647	12,707
Computer software	3,478	2,981	497	710
Website development costs	10,474	1,746	8,728	-
	<u>\$ 59,005</u>	<u>\$ 34,284</u>	<u>\$ 24,721</u>	<u>\$ 18,652</u>

4. **Scholarship Fund**

This amount is restricted by the Membership of The Faculty Association, The University of Western Ontario for the payment of scholarships. These internally restricted amounts are not available for other purposes without approval of the Membership.

The Faculty Association, The University of Western Ontario
Notes to the Financial Statements
April 30, 2009

5. Grievances and Collective Bargaining Fund

This amount is internally restricted by the Membership of The Faculty Association, The University of Western Ontario for contingencies, for the payment of expenses associated with legal advice and arbitration arising from grievances and rights cases and/or expenses associated with collective bargaining in excess of budget and as a means of providing funds in the event of a strike.