

**Crown Corporations Employers  
Association  
Financial Statements  
For the year ended March 31, 2023**

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Financial Statements  
For the year ended March 31, 2023**

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Crown Corporations Employers Association  
Management's Responsibility for Financial Reporting 2023  
Financial Statements

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May 16, 2023


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 public sector accounting standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgement is required.

In discharging the 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.

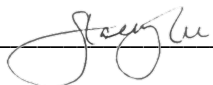
The Board of Directors is composed primarily of Directors who are neither management nor employees of the Association. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities. The Board fulfills these responsibilities by reviewing the financial information prepared by management and discussing the relevant matters with management and external auditors.

WL & Company, Chartered Professional Accountants, an independent firm of Chartered Professional Accountants, is appointed by the Directors to audit the financial statements and report directly to the Directors; their report follows. The external auditors have full and free access to, and meet periodically and separately with, the Board and management to discuss their audit findings.

Approved by the Board:

  
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Director

  
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Director

## **INDEPENDENT AUDITOR'S REPORT**

**To the Board of Directors of the Crown Corporations Employers Association  
To the Ministry of Finance, Province of British Columbia**

### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the accompanying financial statements of the Crown Corporations Employers Association ("CCEA"), which comprise the Statement of Financial Position as at March 31, 2023, the Statement of Operations, the Statement of Changes in Net Financial Assets, and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the CCEA as at March 31, 2023, and its results of operations, changes in net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

#### **Basis for Opinion**

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of this report. We are independent of the CCEA in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Material Uncertainty Related to Going Concern**

We draw attention to Note 2 in the financial statements, which indicates that the CCEA has incurred losses from operations and negative cash flows from operating activities in the prior years. For the year ended March 31, 2023 as stated in Note 2, these events or conditions, along with other matters as set forth in Note 2, indicate that a material uncertainty exists that may cast significant doubt on the CCEA's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

#### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, 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.

In preparing the financial statements, management is responsible for assessing the CCEA's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the CCEA or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the CCEA's financial reporting process.

## Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 CCEA's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the CCEA's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the CCEA to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

## Report on Other Legal and Regulatory Requirements

As required by The Societies Act (British Columbia), we report that, in our opinion, these financial statements are prepared on a basis consistent with that of the previous year.


*WL & Company*

Chartered Professional Accountants  
Vancouver, BC  
May 16, 2023


**Crown Corporations Employers Association  
Statement of Financial Position**

March 31	2023	2022
<b>Financial Assets</b>		
Cash	\$ 55,057	\$ 33,564
Amounts receivable	4,000	1,125
	59,057	34,689
<b>Liabilities</b>		
Accounts payable and accrued liabilities	5,470	5,000
Unearned revenue	3,000	-
	8,470	5,000
<b>Net Financial Assets</b>	<b>50,587</b>	<b>29,689</b>
<b>Unrestricted Accumulated Surplus</b>	<b>\$ 50,587</b>	<b>\$ 29,689</b>

Approved by the Board:

  
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**Director**

  
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**Director**

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**Crown Corporations Employers Association  
Statement of Operations**

For the year ended March 31	<b>2023</b>	2022
<b>Revenue</b>		
Membership dues	<b>\$ 31,000</b>	\$ 7,750
<b>Expenses</b>		
Professional fees	9,989	5,452
Annual general meeting	-	1,260
Bank fees	113	116
	<b>10,102</b>	6,828
<b>Surplus of revenue over expenses</b>	<b>20,898</b>	922
Unrestricted Accumulated Surplus, beginning of year	<b>29,689</b>	28,767
<b>Unrestricted Accumulated Surplus, end of year</b>	<b>\$ 50,587</b>	\$ 29,689

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**Crown Corporations Employers Association**  
**Statement of Changes in Net Financial Assets**

For the year ended March 31	2023	2022
<b>Surplus of revenue over expenses for the year</b>	\$ 20,898	\$ 922
Net financial assets, beginning of year	<u>29,689</u>	<u>28,767</u>
<b>Net financial assets, end of year</b>	<b>\$ 50,587</b>	<b>\$ 29,689</b>

The accompanying notes are an integral part of these financial statements



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**Crown Corporations Employers Association  
Statement of Cash Flows**

For the year ended March 31	2023	2022
<b>Operating activities</b>		
Surplus of revenue over expenses	\$ 20,898	\$ 922
<b>Net changes in operating activities</b>		
Amounts receivable	(2,875)	(1,125)
Accounts payable and accrued liabilities	470	-
Unearned revenue	3,000	
<b>Net (decrease) in cash for the year</b>	<b>21,493</b>	<b>(203)</b>
<b>Cash, beginning of year</b>	<b>33,564</b>	33,767
<b>Cash, end of year</b>	<b>\$ 55,057</b>	\$ 33,564

The accompanying notes are an integral part of these financial statements

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## Crown Corporations Employers Association Notes to the Financial Statements

March 31, 2023

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### 1 Nature of Business

The Crown Corporations Employers Association (the "Association"), a non-profit, non-taxable entity, was incorporated on 11 February 1994 and is subject to the provisions of The Societies Act (British Columbia). The Association's purpose is to improve the efficient, effective and fair delivery of human resource services throughout all member organizations to assist the Public Sector Employer's Council (the "Council") in carrying out any objective and strategic direction established by the Council.

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### 2 Going Concern

These financial statements have been prepared on a going concern basis in accordance with Canadian public sector accounting standards, which assumes that the Association will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations.

There are adverse conditions that cast a significant doubt upon the soundness of this assumption, including recurring operating losses in the prior years. For the Association to continue to operate as a going concern it must maintain its current sources or obtain additional sources of funding.

If the going concern assumption were not appropriate for these financial statements, adjustments would be necessary to the carrying value of the assets and liabilities, the reported expenses, and the statement of financial position classifications used and such adjustments could be material.

Management has assessed that the Association has sufficient funds to continue operating for at least the next fiscal year and is expected to continue operating afterwards.

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### 3. Significant Accounting Policies

#### (a) Basis of Accounting

The Association prepares its financial statements in accordance with Canadian public sector accounting standards as prescribed by the Public Sector Accounting Board.

#### (b) Revenue Recognition

Membership dues are recognized when the amounts become due and collection is reasonably assured.

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

Restricted contributions are recognized as revenue in the period in which the conditions of the funding have been met.

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**Crown Corporations Employers Association  
Notes to the Financial Statements**

**March 31, 2023**

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**3. Significant Accounting Policies (Continued)**

**(c) Financial Instruments**

The Association recognizes all financial instruments at fair value and subsequently measures them at amortized cost.

**(d) Use of Estimates**

The preparation of financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant items subject to such estimates and assumptions include the completeness of accruals and accounts payable and management's assessment of going concern assumption (Note 2). Actual results could differ from those estimates. These estimates are reviewed periodically and as adjustments become necessary, they are reported in the statement of operations in the year in which they become known.

**(e) Contributed Services and Materials**

The Association relies on the time and expertise donated by volunteers including the Directors of the Association. Due to the difficulty of determining the fair value, contributed services and materials are not recognized in the financial statements.

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**4. Economic Dependence**

For the year ended March 31, 2023, the Association is economically dependent on its members for its membership dues. See also note 2.

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**5. Financial Instrument Risk**

The Association, through its financial assets and liabilities, is exposed to various risks. The following analysis provides an assessment of these risks at March 31, 2023. There have been no changes to these risks from prior year.

***Credit risk***

Credit risk arises from the potential that a counter party will fail to perform its obligation. The Association's cash is held on deposit at an accredited Canadian financial institution, and the Association is not exposed to significant credit risk.

***Liquidity risk***

Liquidity risk is the risk that the entity will encounter difficulty in meeting obligations associated with financial liabilities. The Association is exposed to this risk through the discharging of its accounts payable and accrued liabilities. As at March 31, 2023 the Association had cash of \$55,057 (2022 - \$33,564) to settle current financial liabilities of \$8,470 (2022 - \$5,000). Therefore, the Association is not exposed to significant liquidity risk.

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**Crown Corporations Employers Association  
Notes to the Financial Statements**

**March 31, 2023**

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**6. Renumeration of Directors, Employees and Contractors**

The Societies Act (British Columbia) requires the Association to disclose the total remuneration paid to the Directors, for either being a director or for acting in another capacity, as well as the total number of employees or contractors with annual remuneration equal to or greater than \$75,000 and the aggregate remuneration of those employees/contractors.

During the year ended March 31, 2023, no amounts (2022 - \$nil) were paid to the Directors of the Association for acting in their noted capacity and there were no employees/contractors who received annual remuneration equal to or greater than \$75,000.