

Financial Statements of

**COMMUNITY SOCIAL SERVICES
EMPLOYERS' ASSOCIATION OF
BRITISH COLUMBIA**

And Independent Auditor's Report thereon

Year ended March 31, 2024



KPMG LLP

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Community Social Services Employers' Association of British Columbia,
and to the Minister of the Ministry of Finance, Province of British Columbia.

Report on the Audit of Financial Statements

Opinion

We have audited the financial statements of Community Social Services Employers' Association of British Columbia (the "Association"), which comprise:

- the statement of financial position as at March 31, 2024
- the statement of operations and accumulated surplus for the year then ended
- the statement of remeasurement gains and losses for the year then ended
- the statement of changes in net financial assets for the year then ended
- the statement of cash flows for the year then ended
- and notes and schedule to the financial statements, including a summary of significant accounting policies

(hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Association as at March 31, 2024, and its results of operations, its 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 our auditor's report.

We are independent of the Association 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.



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 Association'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 Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association'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 the 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 Association'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 Association'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 Association 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.
- 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 control 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, the accounting policies applied in preparing and presenting financial statements in accordance with Canadian public sector accounting standards have been applied on a basis consistent with that of the preceding period.

KPMG LLP

Chartered Professional Accountants

Vancouver, Canada
May 27, 2024

COMMUNITY SOCIAL SERVICES EMPLOYERS' ASSOCIATION OF BRITISH COLUMBIA

Statement of Financial Position

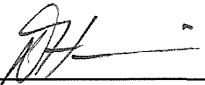
March 31, 2024, with comparative information for 2023

	2024	2023
Financial assets		
Cash (note 3)	\$ 4,389,666	\$ 642,153
Term deposits (note 4)	-	250,000
Investments, at fair value (note 5)	653,162	595,555
Accounts receivable (note 7(a)(iii))	879,336	21,016
	<u>5,922,164</u>	<u>1,508,724</u>
Liabilities		
Accounts payable and accrued liabilities (note 7(a)(iii))	1,417,019	427,679
Deferred revenue (note 7)	4,020,743	263,513
Obligations under capital leases (note 8)	22,410	40,013
Asset retirement obligation (note 9)	132,874	99,501
	<u>5,593,046</u>	<u>830,706</u>
Net financial assets	329,118	678,018
Non-financial assets		
Tangible capital assets (note 10)	82,228	134,430
Prepaid expenses	120,739	65,242
	<u>202,967</u>	<u>199,672</u>
Accumulated surplus	<u>\$ 532,085</u>	<u>\$ 877,690</u>
Accumulated surplus is comprised of:		
Accumulated surplus (note 11)	\$ 434,007	\$ 826,814
Accumulated rereasurement gains	98,078	50,876
	<u>\$ 532,085</u>	<u>\$ 877,690</u>

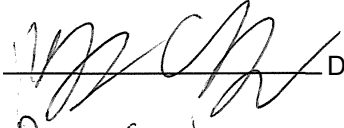
Commitments (note 12)
Contractual rights (note 13)

See accompanying notes and schedule to financial statements.

Approved on behalf of the Board:



Dawn Klein
Director



Ryan Cucheran
Director

COMMUNITY SOCIAL SERVICES EMPLOYERS' ASSOCIATION OF BRITISH COLUMBIA

Statement of Operations and Accumulated Surplus

Year ended March 31, 2024, with comparative information for 2023

	2024 Budget	2024 Actual	2023 Actual
	(note 2(k))		
Revenue:			
Provincial government funding:			
General	\$ 2,967,789	\$ 3,240,434	\$ 2,951,713
Child Care and Early Intervention Program ("EIP") implementation (notes 7(a))	-	1,295,350	-
Fees	404,565	712,498	623,904
Investment income, net (note 6)	112,000	299,456	79,304
	3,484,354	5,547,738	3,654,921
Expenses (note 15):			
Human resources and labour relations	1,197,009	1,335,507	976,973
General	1,251,270	1,531,651	1,176,158
Research and knowledge management	1,169,336	1,183,021	930,789
Membership	145,190	521,778	500,125
Bargaining	71,237	1,368,588	156,828
	3,834,042	5,940,545	3,740,873
Annual deficiency of revenue over expenses	(349,688)	(392,807)	(85,952)
Accumulated surplus, beginning of year	826,814	826,814	912,766
Accumulated surplus, end of year	\$ 477,126	\$ 434,007	\$ 826,814

See accompanying notes and schedule to financial statements.

COMMUNITY SOCIAL SERVICES EMPLOYERS' ASSOCIATION OF BRITISH COLUMBIA

Statement of Remeasurement Gains and Losses

Year ended March 31, 2024, with comparative information for 2023

	2024	2023
Accumulated remeasurement gains, beginning of year	\$ 50,876	\$ 87,922
Unrealized gains (losses) generated during the year from: Investments	57,607	(13,148)
Remeasurement gains realized and reclassified to the statement of operations and accumulated surplus from: Investments (note 6)	(10,405)	(23,898)
Net remeasurement gains (losses) for the year	47,202	(37,046)
Accumulated remeasurement gains, end of year	\$ 98,078	\$ 50,876

See accompanying notes and schedule to financial statements.

COMMUNITY SOCIAL SERVICES EMPLOYERS' ASSOCIATION OF BRITISH COLUMBIA

Statement of Changes in Net Financial Assets

Year ended March 31, 2024, with comparative information for 2023

	2024 Budget	2024 Actual	2023 Actual
	(note 2(k))		
Annual deficiency of revenue over expenses	\$ (349,688)	\$ (392,807)	\$ (85,952)
Addition of tangible capital assets	-	(36,290)	(31,766)
Amortization of tangible capital assets	62,717	88,492	57,505
Acquisition of prepaid expenses	-	(220,823)	(177,929)
Use of prepaid expenses	-	165,326	189,769
	(286,971)	(396,102)	(48,373)
Effect of net remeasurement gains	-	47,202	(37,046)
Decrease in net financial assets	(286,971)	(348,900)	(85,419)
Net financial assets, beginning of year	678,018	678,018	763,437
Net financial assets, end of year	\$ 391,047	\$ 329,118	\$ 678,018

See accompanying notes and schedule to financial statements.

COMMUNITY SOCIAL SERVICES EMPLOYERS' ASSOCIATION OF BRITISH COLUMBIA

Statement of Cash Flows

Year ended March 31, 2024, with comparative information for 2023

	2024	2023
Cash provided by (used in):		
Operating activities:		
Annual deficit	\$ (392,807)	\$ (85,952)
Items not affecting cash:		
Amortization of tangible capital assets	88,492	57,505
Accretion expense	4,511	3,130
	(299,804)	(25,317)
Changes in non-cash operating items:		
Accounts receivable	(858,320)	7,522
Prepaid expenses	(55,497)	11,840
Accounts payable and accrued liabilities	989,340	146,846
Deferred revenue	3,757,230	(433,944)
	3,532,949	(293,053)
Capital activities:		
Acquisition of tangible capital assets	(7,428)	(31,766)
Investing activities:		
Redemption of term deposits	250,000	1,150,000
Net acquisition of investments	(10,405)	(23,898)
Purchase of term deposits	-	(250,000)
	239,595	876,102
Financing activities:		
Capital lease repayments	(17,603)	(13,419)
Increase in cash	3,747,513	537,864
Cash, beginning of year	642,153	104,289
Cash, end of year	\$ 4,389,666	\$ 642,153

See accompanying notes and schedule to financial statements.

COMMUNITY SOCIAL SERVICES EMPLOYERS' ASSOCIATION OF BRITISH COLUMBIA

Notes to Financial Statements

Year ended March 31, 2024

1. Operations:

Community Social Services Employers' Association of British Columbia (the "Association") was constituted on January 13, 1994 and is incorporated under the *Societies Act* (British Columbia). The Association provides human resources and labour relations expertise to over 200-member social service organizations. The Association also provides services to associate organizations with access to its human resources and labour relations services on a fee-for-service basis. The Association is exempt from income taxes under Section 149 of the *Income Tax Act*.

2. Significant accounting policies:

(a) Basis of accounting:

These financial statements have been prepared by management in accordance with Canadian public sector accounting standards ("PSAS") established by the Canadian Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants of Canada.

(b) Revenue recognition:

Government transfers for operating purposes are recognized as revenue when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Such transfers are initially recorded as deferred revenue or deferred contributions and recognized as revenue in the statement of operations and accumulated surplus when stipulations are met.

Contributions from other sources are deferred when restrictions are placed on their use by the contributor, and recognized as revenue when used for the specific purpose.

Fee revenue is recognized as revenue when the Association satisfies its performance obligation by providing the promised services to the payor. A performance obligation is an enforceable promise made by a public sector entity. Amounts received in advance of the service being provided is deferred.

Interest income earned on term deposits is unrestricted and recognized as revenue when earned.

(c) Accumulated surplus:

Accumulated surplus is comprised of various funds. These funds are not presented separately in the statement of operations and accumulated surplus or on the statement of financial position but are presented on a combined basis, with any interfund balances and transactions eliminated.

COMMUNITY SOCIAL SERVICES EMPLOYERS' ASSOCIATION OF BRITISH COLUMBIA

Notes to Financial Statements (continued)

Year ended March 31, 2024

2. Significant accounting policies (continued):

(c) Accumulated surplus (continued):

The various funds include the following:

(i) Unrestricted accumulated surplus.

(ii) Capital assets fund:

The purpose of this fund is the funding of the amortization of tangible capital assets.

(iii) Bargaining fund:

The purpose of this fund is the delivery of collective bargaining objectives.

(d) Segments:

The Association has five segments which are detailed in Schedule 1. The Association provides human resources and labour relations services to publicly funded social services organizations. Reporting segments are specified by the Association as major categories of these services.

The segments, nature of the segments and the activities of the segments are noted below:

- (i) **Human Resources and Labour Relations** services involve interpretation of employment standards, human rights and WorkSafeBC, discipline and dismissal, attendance management, harassment in the workplace, performance management, recruitment and selection, certification, decertification and other proceedings at the Labour Relations Board and dispute resolution through the Labour Relations Board. Revenue is in the form of fees received for services and expenses are related to the direct costs of providing these services.
- (ii) **General** services include the costs of undertaking the governance and administrative operations of the Association. Revenue for these services are provided by provincial government funding.
- (iii) **Research and Knowledge Management** services provide data and statistical analysis for the community social services sector and reports on trends and issues within the membership and the sector. Expenses include the direct costs of providing the services.
- (iv) **Membership** services include meeting, consulting and training fee revenue and the related direct expenses of providing these services.
- (v) **Bargaining** services include all functions related to the bargaining of sectoral collective agreements, interpretation, settlement and costing for the social services sector. Costs are allocated based on direct expenses of providing the services including wages and benefits, consulting, travel, meeting and miscellaneous expense.

COMMUNITY SOCIAL SERVICES EMPLOYERS' ASSOCIATION OF BRITISH COLUMBIA

Notes to Financial Statements (continued)

Year ended March 31, 2024

2. Significant accounting policies (continued):

(e) Tangible capital assets:

Tangible capital assets, including leased tangible capital assets, are recorded at cost less accumulated amortization. Amortization is determined at rates which will reduce original cost to estimated residual value over the estimated useful life of the asset. The basis and annual rates used to compute amortization are as follows:

Asset	Basis	Rate
Leased office equipment	Straight-line	5 years
Furniture and fixtures	Declining-balance	20%
Computer and communication equipment	Straight-line	3 years
Leasehold improvements	Straight-line	Lesser of the lease term or the useful life

When a tangible capital asset no longer contributes to the Association's ability to provide services, or when the value of future economic benefits associated with the tangible capital assets are less than its net book value, its carrying amount is written down to its residual value. The write-downs are accounted for as expenses in the statement of operations and accumulated surplus.

Leases that transfer substantially all benefits and risks incidental to ownership of property are accounted for as leased tangible capital assets. The related capital lease obligations are recorded at the present value of the minimum lease payments excluding executory costs (e.g., insurance, maintenance costs, etc.). The discount rate used to determine the present value of the lease payments is the lower of the Association's rate for incremental borrowing or the interest rate implicit in the lease.

(f) Asset retirement obligations:

An asset retirement obligation is recognized when, as at the financial reporting date, all of the following criteria are met:

- There is a legal obligation to incur retirement costs in relation to a tangible capital asset;
- The past transaction or event giving rise to the liability has occurred;
- It is expected that future economic benefits will be given up; and
- A reasonable estimate of the amount can be made.

The estimate of the asset retirement obligation includes costs directly attributable to the asset retirement activities and is determined using a present value technique. The amount is recorded as a liability and increase to the related tangible capital assets. The amount capitalized in tangible capital assets is amortized using the amortization accounting policy outlined in note 2(e).

COMMUNITY SOCIAL SERVICES EMPLOYERS' ASSOCIATION OF BRITISH COLUMBIA

Notes to Financial Statements (continued)

Year ended March 31, 2024

2. Significant accounting policies (continued):

(f) Asset retirement obligations (continued):

The carrying value of the liability is reconsidered at each financial reporting date with changes to the timing or amount of the original estimate of cash flows recorded as an adjustment to the asset retirement obligation liability and tangible capital assets.

(g) Financial instruments:

Financial instruments are initially classified upon initial recognition as a fair value or amortized cost instrument. For financial instruments measured using amortized cost, the effective interest method is used to determine interest revenue or expense. Transaction costs are a component of cost for financial instruments measured using cost or amortized cost. Transaction costs are expensed for financial instruments measured at fair value.

Unrealized gains and losses from changes in the fair value of financial instruments are recognized in the statement of remeasurement gains and losses until such time that the financial asset is derecognized due to disposal or impairment. At the time of derecognition, the related realized gains and losses are recognized in the statement of operations and accumulated surplus and related balances reversed from the statement of remeasurement gains and losses.

The Association's financial instruments are comprised of and measured as follows:

- Investments are elected to be recorded at fair value.
- Term deposits, accounts receivable and accounts payable and accrual liabilities are measured at amortized cost using the effective interest method.

Financial assets measured at amortized cost are tested annually for valuation allowance. Valuation allowances are recorded in the statement of operations and accumulated surplus when collection is in doubt.

(h) Employee future benefits:

The Association and its employees participate in the Municipal Pension Plan. The Municipal Pension Plan is a multi-employer contributory defined benefit pension plan. Contributions to the plan are expensed as incurred.

(i) Operating leases:

The Association's office premise lease is classified as an operating lease and rent expense is charged to the statement of operations and accumulated surplus on a straight-line basis over the term of the lease.

COMMUNITY SOCIAL SERVICES EMPLOYERS' ASSOCIATION OF BRITISH COLUMBIA

Notes to Financial Statements (continued)

Year ended March 31, 2024

2. Significant accounting policies (continued):

(j) Use of estimates:

The preparation of financial statements 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 reporting date and the reported amounts of revenues and expenses during the year. The actual outcome could differ from the estimates made in the preparation of the financial statements.

(k) Budget information:

The budget information reported in the statements of operations and accumulated surplus and changes in net financial assets was approved by the Board of Directors on March 6, 2023.

(l) Changes in accounting policy:

(i) Private Public Partnerships

On April 1, 2023, the Association adopted Canadian Public Sector Accounting Standard PS 3160, *Public Private Partnerships* ("PS 3160"). The new accounting standard addresses the recognition, measurement, presentation, and disclosure of infrastructure procured by public sector entities through certain types of public private partnership arrangements. Management has assessed that there is no impact of adopting PS 3160 on the financial statements of the Association.

(ii) Purchased intangibles

On April 1, 2023, the Association adopted Public Sector Guideline PSG-8, *Purchased Intangibles*, applied on a prospective basis ("PSG-8"). PSG-8 defines purchased intangibles as identifiable non-monetary economic resources without physical substance acquired through an arm's length exchange transaction between knowledgeable, willing parties who are under no compulsion to act. Intangibles acquired through a transfer, contribution, or inter-entity transaction, are not purchased intangibles. Management has assessed that there is no impact of adopting PSG-8 on the financial statements of the Association.

(iii) Revenue

On April 1, 2023, the Association adopted Canadian Public Sector Accounting Standard PS 3400, *Revenue* ("PS 3400"). Under the new accounting standard, there are two categories of revenue – exchange and unilateral. If the transaction gives rise to one or more performance obligations, it is an exchange transaction. If no performance obligations are present, it is unilateral revenue. Management has assessed that there is no impact of adopting PS 3400 on the financial statements of the Association.

COMMUNITY SOCIAL SERVICES EMPLOYERS' ASSOCIATION OF BRITISH COLUMBIA

Notes to Financial Statements (continued)

Year ended March 31, 2024

3. Cash:

As at March 31, 2024, included in cash was \$4,173,762 held in a prime-linked savings account.

4. Term deposits:

As at March 31, 2024, no term deposits were held.

As at March 31, 2023, a term deposit was held with a maturity of April 19, 2023 and interest rate of 2.45%.

5. Investments:

The table below summarizes the investments held by the Association as at March 31:

	2024	2023
Investments, at fair value:		
Fixed income mutual fund	\$ 277,518	\$ 258,478
Equities	373,085	334,410
Cash account	2,559	2,667
	<u>\$ 653,162</u>	<u>\$ 595,555</u>

The financial instruments measured at fair value are classified according to a hierarchy which includes three levels, reflecting the reliability of the inputs involved in the fair value determination. The different levels are defined as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (*i.e.*, as prices) or indirectly (*i.e.*, derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Association's investments are all considered to be Level 1 or Level 2 financial instruments. Changes in fair valuation methods or in the availability of market observable inputs may result in a transfer between different levels. During the years ended March 31, 2024 and 2023, there were no transfers of securities between the different levels.

COMMUNITY SOCIAL SERVICES EMPLOYERS' ASSOCIATION OF BRITISH COLUMBIA

Notes to Financial Statements (continued)

Year ended March 31, 2024

6. Investment Income, net:

	2024	2023
Interest	\$ 290,724	\$ 55,099
Dividends	3,953	5,830
Realized gain on investments	10,405	23,898
Less: investment manager, custodian fees and other	(5,626)	(5,523)
	<u>\$ 299,456</u>	<u>\$ 79,304</u>

7. Deferred revenue:

The composition of and changes in deferred revenue are as follows:

	March 31, 2023	Funds received Or receivable	Revenue recognized	Other addition (deduction)	March 31, 2024
WorkSafeBC CSS Health & Safety Contract	\$ 61,625	\$ 329,103	\$ 373,503	\$ -	\$ 17,225
Non-Union Data Collection Initiative	-	235,108	235,108	-	-
CSS Compensation Standard Project	163,131	-	188,695	25,564	-
Other	38,757	84,439	100,279	-	22,917
23/24 Compensation Increase Collective Agreement implementation (a)	-	174,000	132,071	-	41,929
	-	5,360,000	1,395,764	(25,564)	3,938,672
	<u>\$ 263,513</u>	<u>\$ 6,182,650</u>	<u>\$ 2,425,420</u>	<u>\$ -</u>	<u>\$ 4,020,743</u>

(a) Included in Collective Agreement implementation were the following items:

- (i) \$3,947,000 of one-time funding for additional monetary items from 2022-25 collective agreement. During the year ended March 31, 2024, \$310,350 was recognized within Child Care and EIP implementation revenue.
- (ii) \$578,000 of one-time funding for specific items. During the year ended March 31, 2024, \$150,000 was recognized within Child Care and EIP implementation revenue, and \$100,414 was recognized within General provincial government funding revenue.
- (iii) \$835,000 of one-time funding for child care. The amount is receivable from the Province of British Columbia as of March 31, 2024 and is included within accounts receivable. During the year ended March 31, 2024, \$835,000 was recognized within Child Care and EIP implementation revenue. As the amounts were not paid as of March 31, 2024, it is included within accounts payable and accrued liabilities.

COMMUNITY SOCIAL SERVICES EMPLOYERS' ASSOCIATION OF BRITISH COLUMBIA

Notes to Financial Statements (continued)

Year ended March 31, 2024

8. Obligations under capital leases:

The equipment leases entered into by the Association expire in December 2025. The minimum lease payments required under the agreement for the years ending March 31 are as follows:

2025	\$	15,509
2026		7,755
		23,264
Less: amount representing interest at 4.30% per annum		854
	\$	22,410

9. Asset retirement obligation:

The Association's asset retirement obligation consists of costs to remove leasehold improvements and trade fixtures at the end of its office lease. Estimated costs have been discounted to the present value using a discount rate of 3.49% per annum.

Changes to the asset retirement obligation in the year are as follows:

	2024	2023
Balance, beginning of year	\$ 99,501	\$ 96,371
Revaluation	28,862	-
Accretion expense	4,511	3,130
Balance, end of year	\$ 132,874	\$ 99,501

COMMUNITY SOCIAL SERVICES EMPLOYERS' ASSOCIATION OF BRITISH COLUMBIA

Notes to Financial Statements (continued)

Year ended March 31, 2024

10. Tangible capital assets:

	Leased office equipment	Furniture and fixtures	Computer and communication equipment	Leasehold improvements	Total
Cost:					
As at March 31, 2023	\$ 70,164	\$ 182,609	\$ 244,455	\$ 289,325	\$ 786,553
Additions	-	-	7,428	28,862	36,290
	70,164	182,609	251,883	318,187	822,843
Accumulated amortization:					
As at March 31, 2023	33,706	168,678	206,344	243,395	652,123
Amortization expense	15,509	2,786	33,553	36,644	88,492
	49,215	171,464	239,897	280,039	740,615
Net book value, March 31, 2024	\$ 20,949	\$ 11,145	\$ 11,986	\$ 38,148	\$ 82,228

	Leased office equipment	Furniture and fixtures	Computer and communication equipment	Leasehold improvements	Total
Cost:					
As at March 31, 2022	\$ 70,164	\$ 170,864	\$ 224,434	\$ 289,325	\$ 754,787
Additions	-	11,745	20,021	-	31,766
	70,164	182,609	244,455	289,325	786,553
Accumulated amortization:					
As at March 31, 2022	18,197	167,642	183,756	225,023	594,618
Amortization expense	15,509	1,036	22,588	18,372	57,505
	33,706	168,678	206,344	243,395	652,123
Net book value, March 31, 2023	\$ 36,458	\$ 13,931	\$ 38,111	\$ 45,930	\$ 134,430

11. Accumulated surplus:

	2024	2023
Unrestricted	\$ 429,599	\$ 805,749
Capital assets fund	4,408	5,539
Bargaining fund	-	14,423
CSSHSC fund	-	1,103
	\$ 434,007	\$ 826,814

COMMUNITY SOCIAL SERVICES EMPLOYERS' ASSOCIATION OF BRITISH COLUMBIA

Notes to Financial Statements (continued)

Year ended March 31, 2024

12. Commitments:

(a) Line of credit:

The Association has a \$250,000 line of credit which bears interest at prime plus 2%. As at March 31, 2024, the line of credit has a nil outstanding balance.

(b) Operating lease:

In December 2019, the Association extended its operating lease related to its office premises. The extended lease expires on September 30, 2025. The base lease payments for the years ending March 31 are as follows:

2025	\$	283,359
2026		143,308
	\$	426,667

13. Contractual rights:

On April 1, 2019, the Association entered into a cost sharing agreement with a related party under common control for information technology shared services for a three-year term. Beginning April 1, 2022, the agreement is continuing on a month-to-month basis at \$1,280 per month.

14. Related party transactions:

The Association is related through common ownership to all Province of British Columbia ministries, agencies, crown corporations, school districts, health authorities, hospitals societies, universities, and colleges that are included in the provincial government reporting entity. Transactions with these entities, unless disclosed otherwise, are recorded at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Funding for the Association is provided primarily by the Province of British Columbia and the Association is dependent on the funding from this source.

COMMUNITY SOCIAL SERVICES EMPLOYERS' ASSOCIATION OF BRITISH COLUMBIA

Notes to Financial Statements (continued)

Year ended March 31, 2024

15. Expenses by object:

	2024	2023
Salaries and benefits	\$ 2,990,801	\$ 2,173,972
Child care and EIP payments	1,295,350	-
Occupancy	477,283	471,795
Consulting	476,914	459,939
Directors and committees	118,100	126,841
Legal, accounting and other professional services	107,719	166,142
Travel and training	94,396	56,161
Amortization	88,492	57,505
Office supplies	80,521	75,365
Photocopy and printing	62,172	15,936
Employer Health Tax	45,522	35,364
Telephone and facsimile	35,064	39,993
Equipment	31,071	31,016
Non-recoverable GST	19,623	19,997
Delivery	6,765	7,551
Member education	6,241	166
Accretion	4,511	3,130
	\$ 5,940,545	\$ 3,740,873

16. Pension plan:

The Association and its employees contribute to the Municipal Pension Plan (the "Plan"), a multi-employer jointly trusteesd pension plan. The Plan is a defined benefit plan. The board of trustees, representing Plan members and employers, is responsible for overseeing the management of the Plan, including investment of the assets and administration of benefits. Basic pension benefits provided are based on a formula. As at December 31, 2022, the Plan has about 240,000 active members and approximately 124,000 retired members.

Every three years, an actuarial valuation is performed to assess the financial position of the Plan and adequacy of Plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the Plan. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the Plan. This rate is then adjusted to the extent there is amortization of any funding deficit.

The most recent valuation for the Plan as at December 31, 2021, indicated a \$3,761 million funding surplus for basic pension benefits on a going concern basis. The next valuation will be at December 31, 2024, with results available in fall 2025.

During the year ended March 31, 2024, the Association paid \$198,863 (2023 - \$138,743) for employer contributions to the Plan, and the Association's employees paid \$183,911 (2023 - \$128,311) for employee contributions to the Plan.

COMMUNITY SOCIAL SERVICES EMPLOYERS' ASSOCIATION OF BRITISH COLUMBIA

Notes to Financial Statements (continued)

Year ended March 31, 2024

17. Employee and contractor remuneration:

For the year ended March 31, 2024, the Association paid total remuneration of \$2,096,683 (2023 - \$999,632) to 18 employees and contractors for services (2023 - 9), each of whom received total annual remuneration of \$75,000 or greater.

There was no remuneration paid to any of the member of the Board of Directors of the Association during the years ended March 31, 2024 and 2023.

18. Financial risk and capital management:

The Association, through its financial assets and liabilities, is exposed to various risks. The following analysis provides an assessment of those risks as at March 31, 2024.

(a) Credit risk:

The Association has limited exposure to credit risk associated with its cash, term deposits and accounts receivable. The Association is not exposed to significant credit risk on its accounts receivable as the majority of receivables are due from governments. Cash is held with a Canadian credit union. The Association's maximum exposure to credit risk is limited to the carrying amount of this balance in the financial statements. There have been no changes to the credit risk from the prior year.

(b) Liquidity risk:

Liquidity risk is the risk that the Association will not be able to meet its financial obligations as they become due. The Association does not have significant liquidity risk as it has sufficient cash to meet its liabilities as they come due. Investments are held in highly liquid investments that can be disposed of when required. Accounts payable and accrued liabilities are all due within one year. There have been no changes to the liquidity risk from the prior year.

(c) Market risk:

The Association recognizes that fair values of an investment will fluctuate as a result of changes in market conditions, whether those changes are caused by factors specific to the individual investment or factors affecting all securities traded in the market: market risk consists of currency risk, interest rate risks, and other price risk.

(d) Capital management:

The Association requires all earned interest, dividend payments and capital gains on investments to be paid out semi-annually to maintain the original investment amount at par. During the years of negative growth, the earned income and any other gains would be reinvested back into the portfolio with the goal of maintaining the original invested amount. During the year ended March 31, 2024, the Association placed funds into a prime-linked savings account.

COMMUNITY SOCIAL SERVICES EMPLOYERS' ASSOCIATION OF BRITISH COLUMBIA

Segment Revenue and Expenses

Schedule 1

Year ended March 31, 2024, with comparative information for 2023

	Human Resources and Labour Relations	General	Research and Knowledge Management	Membership	Bargaining	2024 Total	2023 Total
Revenue:							
Provincial government:							
General	\$ 32,779	\$ 2,716,215	\$ 491,440	\$ -	\$ -	\$ 3,240,434	\$ 2,951,713
Child care and EIP implementation	-	-	-	-	1,295,350	1,295,350	-
Fees	100,279	28,065	33,357	550,797	-	712,498	623,904
Investment income, net	-	298,006	-	1,450	-	299,456	79,304
	133,058	3,042,286	524,797	552,247	1,295,350	5,547,738	3,654,921
Expenses:							
Salaries and benefits	1,224,200	813,522	761,660	191,419	-	2,990,801	2,173,972
Child care and EIP payments	-	-	-	-	1,295,350	1,295,350	-
Occupancy	-	440,409	-	36,874	-	477,283	471,795
Consulting	57,113	66,290	261,543	83,608	8,360	476,914	459,939
Directors and committees	1,218	5,400	4,673	106,809	-	118,100	126,841
Legal, accounting and other professional services	1,250	30,502	37,266	22,265	16,436	107,719	166,142
Travel and training	24,625	9,874	22,949	36,826	122	94,396	56,161
Amortization	-	74,191	-	14,301	-	88,492	57,505
Office supplies	23,587	14,299	39,880	2,755	-	80,521	75,365
Photocopy and printing	-	8,529	3,369	2,274	48,000	62,172	15,936
EHT	-	38,170	4,044	3,308	-	45,522	35,364
Telephone and facsimile	569	-	30,635	3,860	-	35,064	39,993
Equipment	1,220	5,540	8,147	16,164	-	31,071	31,016
Non-recoverable GST	1,715	10,915	5,375	1,298	320	19,623	19,997
Delivery	10	3,258	3,480	17	-	6,765	7,551
Member education	-	6,241	-	-	-	6,241	166
Accretion	-	4,511	-	-	-	4,511	3,130
	1,335,507	1,531,651	1,183,021	521,778	1,368,588	5,940,545	3,740,873
Surplus (deficiency) for the year	\$ (1,202,449)	\$ 1,510,635	\$ (658,224)	\$ 30,469	\$ (73,238)	\$ (392,807)	\$ (85,952)