



Independent Auditor's Report

Allan Innes, BA, CGA*

To the Members of Crown Corporation Employers' Association,

I have audited the accompanying financial statements of Crown Corporation Employers' Association, which comprise the statements of financial position as at March 31, 2012 and March 31, 2011 and the statements of operations and changes in net assets and of cash flows for the years ended March 31, 2012 and March 31, 2011, 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

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I 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 judgement, 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, these financial statements present fairly, in all material respects, the financial position of Crown Corporation Employers' Association, as at March 31, 2012 and March 31, 2011 and its financial performance and its cash flows for the years ended March 31, 2012 and March 31, 2011, in accordance with Canadian accounting standards for not-for-profit organizations.

May 17, 2012
North Vancouver, B.C.


Certified General Accountant

*Denotes Professional Corporation

Crown Corporations Employers' Association
Statement of Financial Position
As at March 31, 2012

| | 2012 | 2011 |
|--|-------------------|-------------------|
| Assets | | |
| Current assets | | |
| Cash | \$ 84,825 | \$ 80,348 |
| Harmonized sales tax receivable | 27,939 | 20,760 |
| | <u>\$ 112,764</u> | <u>\$ 101,108</u> |
| Liabilities | | |
| Current liabilities | | |
| Accounts payable and accrued liabilities | \$ 17,440 | \$ 8,843 |
| Net Assets | <u>95,324</u> | <u>92,265</u> |
| | <u>\$ 112,764</u> | <u>\$ 101,108</u> |

Approved on behalf of the board:



 Director



 Director

The accompanying notes are an integral part of these financial statements.

Innes & Company
 Certified General Accountant

Crown Corporations Employers' Association
Statement of Operations and Change in Net Assets
For the year ended March 31, 2012

| | 2012 | 2011 |
|---|------------------|------------------|
| Revenue | | |
| Membership dues | \$ 267,500 | \$ 258,750 |
| Expenses | | |
| Audit and accounting | 2,000 | 2,000 |
| Consulting | 203,891 | 191,604 |
| Legal fees | - | 249 |
| Annual general meeting | 21,917 | 18,961 |
| Memberships | 11,614 | 11,228 |
| Office and miscellaneous | 1,119 | 2,305 |
| Travel and meetings | 19,100 | 7,276 |
| Website | 4,800 | 5,175 |
| | <u>264,441</u> | <u>238,798</u> |
| Excess (deficiency) of revenue over expenditures | 3,059 | 19,952 |
| Net assets, beginning of year | <u>92,265</u> | <u>72,313</u> |
| Net assets, end of year | <u>\$ 95,324</u> | <u>\$ 92,265</u> |

The accompanying notes are an integral part of these financial statements.

Innes & Company
Certified General Accountant

Crown Corporations Employers' Association
Statement of Cash Flows
For the year ended March 31, 2012

| | 2012 | 2011 |
|--|------------------|------------------|
| Cash flows from operating activities | | |
| Excess (deficiency) of revenue over expenditures | \$ 3,059 | \$ 19,952 |
| Changes in working capital | | |
| Harmonized sales tax receivable | (7,179) | (20,760) |
| Accounts payable | 8,597 | 6,843 |
| Client deposits | - | (53,250) |
| | <u>4,477</u> | <u>(47,215)</u> |
| Increase (decrease) in cash | | |
| | 80,348 | 127,563 |
| Cash and equivalents, beginning of year | <u>80,348</u> | <u>127,563</u> |
| Cash and equivalents, end of year | <u>\$ 84,825</u> | <u>\$ 80,348</u> |

The accompanying notes are an integral part of these financial statements.

Crown Corporations Employers' Association
Notes to Financial Statements
For the year ended March 31, 2012

1. Description of the Association

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

2. Significant accounting policies

(a) Use of estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principals requires management to make estimates and assumptions that effect the reported amounts of assets and liabilities and the disclosure of contingent assets and contingent liabilities. Actual results could differ from these estimates.

(b) Revenue Recognition

The Association follows the deferral method of recognizing revenue. Under this method, revenue is recognized in the period the related services are provided to member corporations.

(c) Cash and equivalents

Cash and cash equivalents include short-term notes with terms to maturity of three months or less at date of acquisition.

3. Financial instruments

The association's financial instruments consist of cash, receivables, bank indebtedness, payables and accruals, and long term debt. Unless otherwise noted, it is management's opinion that the Association is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximate their carrying value.