

Canadian Association of Labour  
Media/Association Canadienne de  
la Presse Syndicale

Financial Statements

December 31, 2023

Canadian Association of Labour Media  
Association Canadienne de la Presse Syndicale

Financial Statements

December 31, 2023

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May 7, 2024

## Independent Auditor's Report

To the Board of Directors of Canadian Association of Labour Media /Association Canadienne de la Presse Syndicale

### Opinion

We have audited the financial statements of Canadian Association of Labour Media/Association Canadienne de la Presse Syndicale, which comprise the statement of financial position as at December 31, 2023, and the statements of changes in fund balances, operations, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Canadian Association of Labour Media/Association Canadienne de la Presse Syndicale as at December 31, 2023, and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

### 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 report. We are independent of the Canadian Association of Labour Media/Association Canadienne de la Presse Syndicale 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 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.

In preparing the financial statements, management is responsible for assessing the Canadian Association of Labour Media/Association Canadienne de la Presse Syndicale'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 Canadian Association of Labour Media/Association Canadienne de la Presse Syndicale or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Canadian Association of Labour Media/Association Canadienne de la Presse Syndicale's financial reporting process.

Roger Chaplin CPA, CA LPA MA (Oxon) Gail Bergman CPA, CA LPA B Comm

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#### 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 auditors' 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 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 Canadian Association of Labour Media/Association Canadienne de la Presse Syndicale'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 Canadian Association of Labour Media/Association Canadienne de la Presse Syndicale'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 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 Canadian Association of Labour Media/Association Canadienne de la Presse Syndicale 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 control that we identify during our audit.

*Chaplin + Co. LLP*

Chartered Professional Accountants

Licensed Public Accountants

Toronto, Ontario



Canadian Association of Labour Media  
Association Canadienne de la Presse Syndicale

Balance Sheet

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	December 31	
	2023	2022
<b>Assets</b>		
Cash and cash equivalents	\$ 186,492	\$ 187,660
HST receivable	328	994
Accounts receivable	5,060	4,343
Prepaid expenses	2,500	-
	<u>194,380</u>	<u>192,997</u>
Long-term investments	-	4,429
	<u>\$ 194,380</u>	<u>\$ 197,426</u>
<b>Liabilities</b>		
Accounts payable and accrued liabilities	\$ 6,378	\$ 6,500
Government remittances payable	5,278	5,383
Deferred income	47,457	36,849
Canadian Emergency Business Account loan (note 2)	40,000	-
	<u>99,113</u>	<u>48,732</u>
Canadian Emergency Business Account loan (CEBA) (note 2)	-	40,000
	<u>99,113</u>	<u>88,732</u>
<b>Net assets</b>		
Operating reserve fund	63,100	63,100
Retirement reserve fund	2,942	2,942
Unrestricted net assets	29,225	42,652
	<u>95,267</u>	<u>108,694</u>
	<u>\$ 194,380</u>	<u>\$ 197,426</u>

See accompanying notes

Approved on behalf of the Board of Directors of Canadian Association  
of Labour Media Association Canadienne de la Presse Syndicale:

\_\_\_\_\_  
Tasia Brown, President

\_\_\_\_\_  
Brad Walchuk, Treasurer

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Statement of Net Changes in Assets

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	Operating reserve fund	Retirement reserve fund	Unrestricted	Year ended December 31 2023	2022
Balance, beginning of year	\$ 63,100	\$ 2,942	\$ 42,652	\$ 108,694	\$ 109,075
Excess of expenses over revenue	-	-	(13,427)	(13,427)	(381)
Balance, end of year	<u>\$ 63,100</u>	<u>\$ 2,942</u>	<u>\$ 29,225</u>	<u>\$ 95,267</u>	<u>\$ 108,694</u>

See accompanying notes

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Statement of Revenue and Expenses

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	Year ended December 31	
	2023	2022
Revenue		
Membership	\$ 130,356	\$ 131,548
Conference	59,655	55,247
Interest and other income	7,328	7,943
	<u>197,339</u>	<u>194,738</u>
Expenses		
Advertisement	575	-
Audit	6,300	5,300
Bank charges	79	50
Bookkeeping	396	366
Conference	59,926	49,918
Content	-	5,208
Equipment and software	993	1,680
Office and general	1,157	3,999
Staffing	138,185	127,757
Website	3,155	841
	<u>210,766</u>	<u>195,119</u>
Excess of expenses over revenue for the year	\$ <u>(13,427)</u>	\$ <u>(381)</u>

See accompanying notes

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Statement of Cash Flows

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	Year ended December 31	
	2023	2022
Net cash provided by (used in)		
Operations		
Excess of expenses over revenue for the year	\$ (13,427)	\$ (381)
Changes in non-cash items		
Changes in non-cash working capital items		
HST receivable	666	(413)
Accounts receivable	(717)	(2,486)
Prepaid expenses	(2,500)	4,930
Accounts payable and accrued liabilities	(122)	2,800
Government remittances payable	(105)	485
Deferred income	10,608	(16,915)
	<u>(5,597)</u>	<u>(11,980)</u>
Investing		
Redemption of term deposits	4,429	-
Purchase of long-term investment	-	(114)
	<u>4,429</u>	<u>(114)</u>
Net decrease in cash and cash equivalents	(1,168)	(12,094)
Cash and cash equivalents, beginning of year	187,660	199,754
Cash and cash equivalents, end of year	<u>\$ 186,492</u>	<u>\$ 187,660</u>
Cash and cash equivalents is comprised of:		
Cash	\$ 64,276	\$ 7,660
Term deposits	122,216	180,000
	<u>\$ 186,492</u>	<u>\$ 187,660</u>

See accompanying notes



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Notes to the Financial Statements  
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The Association, which was incorporated without share capital under Part II of the Canada Corporations Act on September 16, 1988, is engaged in the production of newsletters and in the organization of conferences and conventions to increase effectiveness of labour media in Canada.

The Association is considered a not-for-profit organization not subject to taxation under the Income Tax Act.

On January 22, 2015, The Association obtained a Certificate of Continuance and is continued under Section 211 of the Canada Not-for-profit Corporation Act.

1. Summary accounting policies

Basis of presentation

These financial statements have been prepared using the accounting standards for not-for-profit organizations.

Fund accounting

These financial statements are prepared on a restricted fund basis:

General fund

The general fund accounts for the organization's membership and administrative activities.

Computer reserve fund

The computer reserve fund is used to cover the cost of computer equipment that will need to be replaced.

Operating reserve fund

The operating reserve fund is to cover six months of operating funds. A transfer is made to or from this fund annually to reflect the amount required in the fund.

Retirement reserve fund

The retirement reserve fund is used to cover the cost associated with staff retirement.

Cash and cash equivalents

Cash and cash equivalents include cash and guaranteed investment certificates valued at cost with a maturity of less than one year from the fiscal year-end.

Long-term investments

Highly liquid investments, primarily term deposits, with an original maturity of more than one year are classified as long-term investments. Long-term investments are stated at cost.

Revenue recognition

The Association follows the deferral method of accounting. Membership, conference, awards and book sale revenue is taken into income in the year to which it relates. Amounts received that relate to future fiscal periods are recorded as deferred income.

Interest and other income is recorded when earned.

Capital assets

Purchases of capital assets are charged directly to expense in the year of acquisition. During the year, \$nil of equipment and software purchases have been expensed (2022 - \$nil).

1. Summary accounting policies (continued)

Measurement of financial instruments

The Association initially measures its financial assets and liabilities at fair value. The Association subsequently measures all its financial assets and financial liabilities at amortized cost. Financial assets measured at amortized cost include cash and cash equivalents, accounts receivable and long-term investments. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities, government remittances payable and CEBA loan. The Association has not designated any financial asset or financial liability to be measured at fair value.

Financial assets measured at cost or amortized cost are regularly assessed for indicators of impairment. If there is an indication of impairment the Association determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset, and recognizes an impairment loss if the carrying value of the financial asset is greater than the higher of the present value of the expected future cash flows, the amount that could be realized from selling the financial asset or the amount the Association to realize by exercising its right to any collateral.

If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement not exceeding the initial carrying value.

Use of estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of asset and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amount of revenue and expenses during the reporting period. Such estimates include allowance for doubtful accounts and accrued liabilities. Actual results could differ from management's best estimates as additional information becomes available in the future.

2. Canada Emergency Business Account Loan

The Canada Emergency Business Account (CEBA) loan of \$60,000 payable to Alterna, is non-interest bearing, with the balance originally due on December 31, 2022, but extended the repayment deadline to January 18, 2024.

If \$40,000 of the loan is repaid by December 31, 2023, the remaining loan balance of \$20,000 will be forgiven. However, if the loan is not repaid by that date, it will become a term loan, bearing interest at 5% per annum, repayable monthly, interest only, with the balance due on December 31, 2025.

As at December 31, 2023, the association had not made any repayments. However, subsequent to the year end the association repaid \$40,000.

3. Financial risk management

The Association's financial instruments consist of cash, accounts receivable and accounts payable and accrued liabilities. It is management's opinion that the association is not exposed to significant interest, currency or credit risks arising from the financial instruments.