

Report is not dated

PSAC-NCRC National Capital Region Council

(PSAC National Capital Region Council)

Financial Statements

Draft - 8:14 PM

December 31, 2021

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Independent Auditor's Report

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To the members of
PSAC-NCRC National Capital Region Council

Opinion

I have audited the financial statements of PSAC-NCRC National Capital Region Council (PSAC National Capital Region Council), which comprise the statement of financial position as at December 31, 2021, and the statements of operations and changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the organization as at December 31, 2021, and the results of its operations and its cash flows for the year then ended in accordance with ASNPO.

Basis for Opinion

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the organization in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my 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 ASNPO, 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 organization'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 organization or to cease operations, or has no realistic alternative but to do so.

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

Independent Auditor's Report, continued

Auditor's Responsibilities for the Audit of the Financial Statements

My 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 my 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, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 my 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 organization'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 organization's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the organization 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.

I 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 I identify during my audit.

Ottawa, ON

Numeris CPA Professional Corporation
Chartered Professional Accountant
Licensed Public Accountant

PSAC-NCRC National Capital Region Council
 (PSAC National Capital Region Council)
Statement of Financial Position
As at December 31, 2021
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	<u>2021</u>	<u>2020</u>
Assets		
Current		
Cash	\$ 439,009	\$ 309,421
Accounts receivable	6,936	-
Prepaid expenses	<u>-</u>	<u>10,000</u>
	<u>\$ 445,945</u>	<u>\$ 319,421</u>
Liability		
Current		
Accounts payable and accrued liabilities	\$ 75,234	\$ 17,914
Balance	<u>370,711</u>	<u>301,507</u>
	<u>\$ 445,945</u>	<u>\$ 319,421</u>

On behalf of the Board

_____ Member _____ Member

PSAC-NCRC National Capital Region Council
 (PSAC National Capital Region Council)
Statement of Operations
and Changes in Net Assets
Year ended December 31, 2021
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	<u>2021</u>	<u>2020</u>
Revenues		
Regional council allocation	\$ 121,932	\$ 131,821
Political action allocation	33,000	33,000
AEC additional funding (note 3)	11,833	11,833
Other income	5,391	26,590
Regional convention allocation	<u>-</u>	<u>23,100</u>
	<u>172,156</u>	<u>226,344</u>
Expenditures		
Ottawa Area Council - operating budget & uncategorized committee expenses	49,892	18,358
NCRC Convention	31,473	13,003
Uncategorized committee expenses	12,597	16,198
Professional fees	9,153	9,655
Council/REVP	-	2,425
National capital regional meetings	-	609
Taxi and transport	<u>(163)</u>	<u>1,009</u>
	<u>102,952</u>	<u>61,257</u>
Excess of revenues over expenditures	69,204	165,087
Balance, beginning of year	<u>301,507</u>	<u>136,420</u>
Balance, end of year	<u>\$ 370,711</u>	<u>\$ 301,507</u>

PSAC-NCRC National Capital Region Council
(PSAC National Capital Region Council)
Statement of Cash Flows
Year ended December 31, 2021
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	2021	2020
Operating activities		
Excess of revenues over expenditures	\$ 69,204	\$ 165,087
Change in non-cash working capital items		
Accounts receivable	(6,936)	-
Prepaid expenses	10,000	-
Accounts payable and accrued liabilities	57,320	(6,636)
Deferred revenue	-	(21,929)
	129,588	136,522
Net increase in cash	129,588	136,522
Cash, beginning of year	309,421	172,899
Cash, end of year	\$ 439,009	\$ 309,421

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PSAC-NCRC National Capital Region Council
(PSAC National Capital Region Council)
Notes to the Financial Statements
December 31, 2021
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1. Nature of operations

PSAC-NCRC National Capital Region Council ("The Council") is a branch of the Public Service Alliance of Canada ("PSAC"). The Council's objective is to implement an efficient communications structure among all PSAC members and locals throughout the National Capital Region ("NCR") and to provide for a PSAC structure in the NCR that reflects the complex needs and reality of the NCR while respecting the constitutional integrity of the PSAC.

Public Service Alliance of Canada is exempt from taxation pursuant to paragraph 149(1) (1) of the Income Tax Act (Canada).

2. Significant accounting policies

The organization applies the Canadian accounting standards for not-for-profit organizations.

(a) Revenue recognition

The organization follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenditures are incurred. Unrestricted contributions are recognized as revenue when received or receivable when the amount to be received can be reasonably estimated and collection is reasonably assured.

No recognition has been given to pledges.

(b) Capital assets

The organization expenses its capital assets. During the current year, capital expenditures included \$ - (2020 - \$ -).

(c) Contributed services

Volunteers contribute to assist the Council in delivering its services. Because of the difficulty in determining the fair value, contributed services are not recognized in the financial statements.

(d) Financial instruments

The organization's financial instruments consist of cash, accounts receivable, and accounts payable and accrued liabilities. Unless otherwise noted it is management's opinion that the organization is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values, unless otherwise noted.

(e) Use of estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations 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.

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3. AEC additional funding

Additional funding for the Alliance Executive Committee was received as follows:

	<u>2021</u>	<u>2020</u>
Ottawa Regional Women's Committee	\$ 1,500	\$ 1,500
Comité Régional des Femmes Francophones	1,500	1,500
Youth Committee	1,895	1,895
Racially Visible Action Committee	1,000	1,000
Members with Disabilities Action Committee	1,000	1,000
Indigenous Action Circle	1,000	1,000
Pride Committee	1,000	1,000
Ottawa area council	1,959	1,959
C.R.A.P.O	<u>979</u>	<u>979</u>
	<u>\$ 11,833</u>	<u>\$ 11,833</u>

4. Related party transactions

The Council is related to other parties by virtue of other parties' ability to exercise significant influence over the Council. Other related parties include directors of the Council and directors of the PSAC. The Council receives in excess of 90% of its annual funding from the PSAC.

These transactions were carried out in the normal course of operations and are recorded at the exchange value, which is the amount of consideration established and agreed upon by the related party and is determined by the costs incurred.
