

Independent Auditors' Report

To the Members of Canadian Union of Public Employees, Local 116:

We have audited the accompanying financial statements of Canadian Union of Public Employees, Local 116, which comprise the statement of financial position as at October 31, 2017, and the statements of operations, changes in net assets and cash flows for the year then ended, 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we 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 auditors' judgment, 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Qualified Opinion

Union dues and initiation fees and defence fund dues have not been subjected to complete verification by audit procedures since it was not practical to extend our tests into the records of the University of British Columbia (the "University") to substantiate the number of employees belonging to Canadian Union of Public Employees, Local 116 and the earnings of those employees. Accordingly, our verification of revenue from this source was limited to comparisons of recorded receipts with deposits and with the monthly summaries prepared by the University. We were not able to determine whether adjustments might be necessary to dues and initiation fees, revenue over expenditures for the year, assets and net assets for the year ending October 31, 2017.

Opinion

In our opinion, except for the matter described in the Basis for Qualified Opinion, the financial statements present fairly, in all material respects, the financial position of Canadian Union of Public Employees, Local 116 as at October 31, 2017 and the results of its operations, changes in net assets and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Vancouver, British Columbia

March 16, 2018

MNP LLP

Chartered Professional Accountants

Canadian Union of Public Employees, Local 116

Statement of Operations

For the year ended October 31, 2017

	General Fund	Defence Fund	October 31, 2017	October 31, 2016
Revenue				
Union dues and initiation fees	2,075,605	-	2,075,605	1,903,669
Interest	3,993	6,423	10,416	7,459
Defence fund dues	-	80,448	80,448	76,761
	2,079,598	86,871	2,166,469	1,987,889
Expenditures				
Amortization	12,101	-	12,101	14,730
Arbitration	159,133	-	159,133	59,697
Bargaining expenses	-	1,171	1,171	3,202
Booked time off	144,052	-	144,052	135,846
Committees and conferences	2,682	-	2,682	9,611
Contributions to UBC Employees' Society (Note 3)	80,385	-	80,385	76,731
Conventions	30,661	-	30,661	12,974
Donations	4,602	-	4,602	5,360
Education and research	-	-	-	9,533
Executive expenses	5,731	-	5,731	7,070
Hall rentals and door prizes	1,964	-	1,964	3,597
Insurance	3,627	-	3,627	3,405
Member treatment cost	12,625	-	12,625	18,192
Newsletter	3,779	-	3,779	8,176
Office salaries and benefits	381,848	-	381,848	394,008
Office supplies	87,309	-	87,309	87,130
Per capita tax	849,272	-	849,272	786,616
Postage and telephone	22,653	-	22,653	24,550
Professional fees	39,412	-	39,412	37,671
Rent	99,621	-	99,621	95,902
	1,941,457	1,171	1,942,628	1,794,001
Excess of revenue over expenses	138,141	85,700	223,841	193,888

The accompanying notes are an integral part of these financial statements