

**PSAC LOCAL 610**  
**HEALTH DIVISION**  
**FINANCIAL STATEMENTS**  
**AUGUST 31, 2015**



# Michael A. King

CHARTERED ACCOUNTANT

## INDEPENDENT AUDITOR'S REPORT

To the Members of  
**PSAC Local 610**

I have audited the statement of financial position of **PSAC Local 610 - Health Division** as at August 31, 2015 and the statements of general reserve and receipts and disbursements 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 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 an audit to obtain reasonable assurance whether the financial statements are free of 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 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.

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 the PSAC Local 610 - Health Division as at August 31, 2015 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian accounting standards for not for profit organizations.

London, Ontario  
April 15, 2016

  
MICHAEL A. KING, CPA, CA  
Licensed Public Accountant

**PSAC LOCAL 610  
LOCAL 00610 OF THE PUBLIC SERVICE ALLIANCE OF CANADA**

**Health Divison**

Statement of Financial Position

As at August 31

	2015	2014
<b>Assets</b>		
Current assets:		
Cash	\$ 38,081	\$ 148,723
Accounts receivable	756	-
Due from General account	56,556	42,589
	<u>\$ 95,393</u>	<u>\$ 191,312</u>
<b>Liabilities and General Reserve</b>		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 3,616	\$ 3,616
	<u>3,616</u>	<u>3,616</u>
General reserve	91,777	187,696
	<u>\$ 95,393</u>	<u>\$ 191,312</u>

Approved on Behalf of the Executive:

 President

 Treasurer

See accompanying notes which are an integral part of these financial statements

**PSAC LOCAL 610**  
**LOCAL 00610 OF THE PUBLIC SERVICE ALLIANCE OF CANADA**

**Health Divison**

Statement of General Reserve

Year ended August 31

	<b>2015</b>	2014
Balance, beginning of year	\$ 187,696	\$ 250,447
Excess of receipts over disbursements	(110,275)	(62,751)
Add: Administrative fee recovery from prior years (note 4)	14,356	-
Balance, end of year	\$ 91,777	\$ 187,696

See accompanying notes which are an integral part of these financial statements

**PSAC LOCAL 610  
LOCAL 00610 OF THE PUBLIC SERVICE ALLIANCE OF CANADA**

**Health Divison**

Statement of Receipts and Disbursements

Year ended August 31

	<b>2015</b>	2014
Receipts:		
Health plan receipts	\$ 269,100	\$ 266,370
Interest income	90	848
	<b>269,190</b>	267,218
Disbursements:		
Health disbursements	<b>335,484</b>	286,378
Administrative fees	<b>40,365</b>	39,975
Professional fees	<b>3,616</b>	3,616
	<b>379,465</b>	329,969
Excess of receipts over disbursements for the year	<b>\$ (110,275)</b>	\$ (62,751)

See accompanying notes which are an integral part of these financial statements

**PSAC LOCAL 610  
LOCAL 00610 OF THE PUBLIC SERVICE ALLIANCE OF CANADA**

**Health Divison**

Notes to the Financial Statements

August 31, 2015

---

**Summary of Significant Accounting Policies:**

These financial statements of the Health Division of PSAC 610 have been prepared in accordance with Canadian accounting standards for not for profit organizations.

*Revenue recognition:*

The division recognizes revenue for the health plan fees when the monies are deposited to the bank. Interest revenue is recorded as earned.

*Cash and cash equivalents:*

Cash and cash equivalents consists of bank balances and investments that have a maturity period of three months from the date of acquisition.

*Financial instrument measurement:*

The Health division initially measures its financial assets and financial liabilities at fair value. It subsequently measures all its financial assets and financial liabilities at amortized cost.

**1. Income taxes:**

According to the provisions of the Income Tax Act (Canada), the organization is exempt from taxes on income.

**2. Health division:**

These financial statements only include the operations of the Health division.

**3. Financial instruments:**

The division is not exposed to any significant interest rate or currency risks with respect to its financial instruments.

## **PSAC LOCAL 610**

Notes to the Financial Statements - continued

August 31, 2015

---

### **4. Administrative fee recovery:**

The division overpaid administrative fees to the general fund in prior years. This amount represents the recovery of those fees.