



2003 AGM & CONVENTION

AUDITOR'S REPORT

& FINANCIAL STATEMENTS, MARCH 31, 2003

To the Members of
CIEA, College Institute Educators' Association of British Columbia:

We have audited the balance sheet of CIEA, College Institute Educators' Association of British Columbia as at March 31, 2003, and the statements of Revenue and Expenditures, General Operating Fund, Strike/Defence Fund, Capital Assets Fund and Staff Professional Development Fund, and cash flow for the year then ended. These financial statements are the responsibility of the Association's management. 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 plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Association as at March 31, 2003, and the results of its operations for the year then ended in accordance with Canadian generally accepted accounting principles. As required by the *BC Society's Act*, we report that, in our opinion, these principles have been applied on a basis consistent with that of the preceding year.

NEMETH THODY ANDERSON
Chartered Accountants

Vancouver, BC
April 25, 2003

**CIEA, COLLEGE INSTITUTE EDUCATORS' ASSOCIATION OF BRITISH COLUMBIA
BALANCE SHEET**

MARCH 31			2003	2002
	Unappropriated Fund	Appropriated Funds	Total	Total
	\$	\$	\$	\$
ASSETS				
Current Assets				
Cash and short-term investments (Notes 2(b) and 3)	953,637	5,302,839	6,256,476	5,507,335
Membership dues and other receivables	34,923	-	34,923	100,163
Prepaid expenses and deposits	39,940	-	39,940	22,024
Due from General Operating Fund (Note 5)	-	136,817	136,817	9,967
	<u>1,028,500</u>	<u>5,439,656</u>	<u>6,468,156</u>	<u>5,639,489</u>
Property, Plant And Equipment (Notes 2(c) and 4)	-	39,107	39,107	50,212
	<u>1,028,500</u>	<u>5,478,763</u>	<u>6,507,263</u>	<u>5,689,701</u>
LIABILITIES				
Current Liabilities				
Accounts payable and accrued liabilities	150,385	-	150,385	127,870
Due to Defence Fund (Note 5)	136,817	-	136,817	9,967
	<u>287,202</u>	<u>-</u>	<u>287,202</u>	<u>137,837</u>
NET ASSETS				
General Operating Fund (p. 3)	741,298	-	741,298	680,302
Strike/Defence Fund (p. 4)	-	5,429,546	5,429,546	4,810,211
Capital Assets Fund (p. 5)	-	39,107	39,107	50,212
Staff Professional Development Fund (p. 6)	-	10,110	10,110	11,139
	<u>741,298</u>	<u>5,478,763</u>	<u>6,220,061</u>	<u>5,551,864</u>
	<u>1,028,500</u>	<u>5,478,763</u>	<u>6,507,263</u>	<u>5,689,701</u>

COMMITMENTS (Note 7)

Refer to accompanying notes.

**CIEA, COLLEGE INSTITUTE EDUCATORS' ASSOCIATION OF BRITISH COLUMBIA
STATEMENT OF REVENUE AND EXPENDITURES**

YEAR ENDED MARCH 31	2003	2003	2002
	(Unaudited) Budgeted	Actual	Actual
	\$	\$	\$
Revenue			
Membership dues	2,381,650	2,497,271	2,408,166
Investment income	14,500	58,918	28,213
	<u>2,396,150</u>	<u>2,556,189</u>	<u>2,436,379</u>
Less: Transfer to Strike/Defence Reserve	239,600	252,020	242,975
	<u>2,156,550</u>	<u>2,304,169</u>	<u>2,193,404</u>
Expenditures (Schedule, pages 8 & 9)			
Salaries and benefits	1,140,615	1,139,820	1,032,661
Administration/Advocacy	448,982	450,676	395,006
Committee meetings/Provincial bargaining	137,500	138,278	149,446
Local support/Legal	220,000	167,980	136,566
Events	203,000	191,182	196,825
	<u>2,150,097</u>	<u>2,087,936</u>	<u>1,910,504</u>
Excess of Revenue Over Expenditures Before Undernoted Items	6,453	216,233	282,900
Write-down of investments to market value	-	(225)	-
Amortization	(28,950)	(29,117)	(29,775)
	<u>(22,497)</u>	<u>186,891</u>	<u>253,125</u>
Excess of Revenues Over Expenditures For The Year	(22,497)	186,891	253,125

Refer to accompanying notes.

CIEA, COLLEGE INSTITUTE EDUCATORS' ASSOCIATION OF BRITISH COLUMBIA
STATEMENT OF GENERAL OPERATING FUND
(NOTE 2(a)(i))

YEAR ENDED MARCH 31	2003	2002
	\$	\$
General Operating Fund, Beginning Of Year	680,302	415,980
Add:		
Excess of revenue over expenditures for the year	186,891	253,125
Amortization	29,117	29,775
	896,310	698,880
Deduct:		
Transfer to Strike/Defence Fund	134,000	-
Transfer to Staff Professional Development Fund	3,000	2,750
Purchase of property, plant and equipment	18,012	15,828
General Operating Fund, End Of Year	741,298	680,302

Refer to accompanying notes.

CIEA, COLLEGE INSTITUTE EDUCATORS' ASSOCIATION OF BRITISH COLUMBIA
STATEMENT OF STRIKE/DEFENCE FUND
(NOTE 2(a)(ii))

YEAR ENDED MARCH 31	2003	2002
	\$	\$
Strike/Defence Fund, Beginning Of Year	4,810,211	4,294,775
Add:		
Investment Income	302,472	272,461
Member contributions	252,020	242,975
Transfer from General Operating Fund	134,000	-
	5,498,703	4,810,211
Deduct:		
Service charges	22,202	-
Write-down of investments to market value	46,955	-
Strike/Defence Fund, End Of Year	5,429,546	4,810,211

Refer to accompanying notes.

CIEA, COLLEGE INSTITUTE EDUCATORS' ASSOCIATION OF BRITISH COLUMBIA
STATEMENT OF CAPITAL ASSETS FUND
(NOTE 2(a)(iii))

YEAR ENDED MARCH 31	2003	2002
	\$	\$
Capital Assets Fund Balance, Beginning Of Year	50,212	64,159
Add:		
Purchase of property, plant and equipment	18,012	15,828
	<u>68,224</u>	<u>79,987</u>
Deduct:		
Amortization	29,117	29,775
	<u>39,107</u>	<u>50,212</u>
Capital Assets Fund Balance, End Of Year	39,107	50,212

Refer to accompanying notes.

CIEA, COLLEGE INSTITUTE EDUCATORS' ASSOCIATION OF BRITISH COLUMBIA
STATEMENT OF CAPITAL ASSETS FUND
(NOTE 2(a)(iv))

YEAR ENDED MARCH 31	2003	2002
	\$	\$
Staff Professional Development Fund Balance, Beginning Of Year	11,139	10,587
Add:		
Transfer from General Operating Fund	3,000	2,750
Interest earned	266	311
	<u>14,405</u>	<u>13,648</u>
Deduct:		
Professional development	4,295	2,509
	<u>10,110</u>	<u>11,139</u>
Staff Professional Development Fund Balance, End Of Year	10,110	11,139

Refer to accompanying notes.

CIEA, COLLEGE INSTITUTE EDUCATORS' ASSOCIATION OF BRITISH COLUMBIA
STATEMENT OF CASH FLOW

YEAR ENDED MARCH 31	2003	2002
	\$	\$
Cash From Operating Activities		
Excess of revenues over expenditures	668,197	766,363
Amortization of property, plant and equipment	29,117	29,775
Net change in non-cash working capital	69,839	(21,581)
	<hr/>	<hr/>
Net cash generated through operating activities	767,153	774,557
	<hr/>	<hr/>
Financing And Investing Activities		
Purchase of property, plant and equipment	(18,012)	(15,828)
	<hr/>	<hr/>
Net Increase In Cash And Short-Term Investments	749,141	758,729
Cash and short-term investments, beginning of year	5,507,335	4,748,606
Cash And Short-Term Investments, End Of Year	<hr/> 6,256,476	<hr/> 5,507,335

Refer to accompanying notes.

CIEA, COLLEGE INSTITUTE EDUCATORS' ASSOCIATION OF BRITISH COLUMBIA
SCHEDULE OF EXPENDITURES

YEAR ENDED MARCH 31	2003	2003	2002
	(Unaudited)		
	Budgeted	Actual	Actual
	\$	\$	\$
Salaries and Benefits			
President	71,000	61,846	56,919
Vice-President	35,500	31,127	34,475
Secretary-Treasurer	71,000	65,016	58,388
Benefits of officers and staff	208,340	226,877	178,920
Other duty release	5,000	-	-
Officer's transition	17,750	10,400	-
Staff Representatives	465,275	458,951	434,946
Staff Representative overtime	20,000	30,818	32,039
Support Staff	246,750	254,785	236,974
	1,140,615	1,139,820	1,032,661
Administration/Advocacy			
Audit	6,250	6,233	6,245
Bank charges and interest	800	2,862	605
Employee relations	3,500	3,917	3,522
Equipment lease and maintenance	5,000	5,614	3,713
Insurance	2,300	2,440	2,107
Lobbying and public relations			
Lobbying and public relations	15,000	17,089	14,374
CIEA publications	20,000	14,693	19,332
Donations	2,000	3,932	3,910
Hosting	500	379	1,209
Special representations (Note 6)	24,500	30,324	18,486
Memberships			
BC Federation Of Labour	47,203	47,203	47,203
CAUT	60,885	60,939	65,909
CLC/NUCAUT	49,294	50,080	11,448
Other	8,000	8,180	8,195
Office maintenance	2,000	1,907	1,220
Postage and courier	8,000	8,001	7,104
Printing	10,000	8,150	8,017
Relocation	8,000	-	565
Rent	125,750	126,252	122,785
Staff training	5,000	4,721	4,308
Subscriptions and books	14,000	18,774	13,589
Supplies	12,000	12,706	12,595
Telecommunications	14,000	11,098	14,823
Website maintenance	5,000	5,182	3,742
	448,982	450,676	395,006

**CIEA, COLLEGE INSTITUTE EDUCATORS' ASSOCIATION OF BRITISH COLUMBIA
SCHEDULE OF EXPENDITURES**

YEAR ENDED MARCH 31	2003 (Unaudited) Budgeted \$	2003 Actual \$	2002 Actual \$
Committee Meetings/Provincial Bargaining			
Bargaining Co-ordination & Review	13,000	14,587	12,554
Provincial bargaining	-	-	19,093
Common Agreement	5,000	2,483	4,624
Contract Administration Review	13,000	9,356	10,986
Disability Management & Rehabilitation	6,000	9,555	-
Education Policy	6,500	5,741	6,860
Executive	5,000	4,269	5,136
Human Rights & International Solidarity	6,500	6,232	6,492
Occupational Health & Safety	5,000	6,155	4,794
Other	2,000	138	377
Pension Advisory	19,500	28,420	20,257
Presidents' Council	30,000	29,569	36,027
Professional Development	6,500	6,487	5,108
Status of Non-Regular Faculty	13,000	8,697	11,304
Status of Women	6,500	6,589	5,834
	137,500	138,278	149,446
Local Support/Legal			
Legal	150,000	104,515	83,115
Direct services	70,000	63,465	53,451
	220,000	167,980	136,566
Events			
Annual General Meeting & Convention	130,000	118,248	113,872
President's Retreat	7,000	4,862	15,641
BC Federation of Labour Convention	18,000	12,343	15,645
Joint Committee Conference	31,000	34,947	44,539
Other conferences	17,000	20,782	7,128
	203,000	191,182	196,825

CIEA, COLLEGE INSTITUTE EDUCATORS' ASSOCIATION OF BRITISH COLUMBIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2002

1. Operations

CIEA, College Institute Educators' Association of British Columbia is a non-profit organization incorporated under the provisions of the *British Columbia Society's Act*. CIEA represents the professional and labour relations interests of its membership. Its membership includes faculty and staff of colleges, university-colleges, institutes and agencies across British Columbia.

2. Significant Accounting Policies

The undernoted accounting policies are set forth to facilitate an understanding of the accompanying financial statements.

(a) Fund Accounting

The financial statements of the Association reflect the accrual basis of accounting and follow the restricted fund method of accounting for dues collected.

(i) General Operating Fund

The amount in this reserve represents excess member funding, interest earned on term deposits, miscellaneous grants and other income. Amounts in the reserve are available to provide interim working capital and discretionary appropriations to the encumbered reserve.

(ii) Strike/Defence Fund

The amount in these reserves represents discretionary appropriations from the operating reserve to a defence fund for the purposes of protecting member interests during negotiations and job actions.

(iii) Capital Assets Fund

Amounts included in this fund represent the acquisition of property, plant and equipment at cost, net of accumulated amortization.

(iv) Staff Professional Development Fund

A fund administered by the CIEA Staff Professional Development Committee for the purpose of funding activities which enhance employees' abilities to perform their duties and further their career development.

(b) Short-Term Investments

Short term investments are recorded at the lesser of cost and market value. As the majority of investments are represented by long-term bonds and related instruments, there is an inherent risk that the market value of these financial instruments may increase or decrease in value materially based on the prevailing interest rates.

CIEA, COLLEGE INSTITUTE EDUCATORS' ASSOCIATION OF BRITISH COLUMBIA
NOTES TO FINANCIAL STATEMENTS
PAGE TWO

2. Significant Accounting Policies (continued)

(c) Property, Plant And Equipment

Property, plant and equipment are recorded at cost less accumulated amortization which is calculated on the straight-line basis over the following periods:

Computer	3 years
Office furniture and equipment	5 years
Leasehold improvements	Term of premises lease

(d) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, particularly the recoverability of membership dues, other receivables and accrued interest income, property, plant and equipment, and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from the estimates.

3. Cash And Short-Term Investments

	2003		2002	
	Cost	Market Value	Cost	Market Value
	\$	\$	\$	\$
Unappropriated				
Cash	236,972	236,972	58,698	58,698
Marketable securities and accrued interest	716,890	716,665	637,251	642,953
	953,862	953,637	695,949	701,651
Appropriated				
Cash	90,521	90,521	30,485	30,485
Marketable securities and accrued interest	5,259,273	5,212,318	4,780,901	4,839,434
	5,349,794	5,302,839	4,811,386	4,869,919

4. Property, Plant And Equipment

	2003		2002	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
	\$	\$	\$	\$
Computer	99,457	76,636	22,821	22,608
Office furniture and equipment	187,434	171,520	15,914	26,595
Leasehold improvements	17,661	17,289	372	1,009
	304,552	265,445	39,107	50,212

5. To/From Strike/Defence Fund

The inter-fund receivable/payable balance is the amount not transferred relating to March Strike/Defence Fund contributions.

6. Special Representations

These expenditures include representations to provincial and federal governments, provincial committees/agencies, BC Federation of Labour/labour groups and CAUT/educational organizations.

7. Commitments

The Association is committed to minimum lease payments on premises over the next five fiscal years ended as follows:

	\$
2004	103,802
2005	70,525
2006	70,525
2007	70,525
2008	70,525

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