

CROWN CORPORATIONS EMPLOYERS' ASSOCIATION

(Under the Society Act of British Columbia)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

Stated in Canadian Dollars

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MANAGEMENT'S RESPONSIBILITY

To the Stakeholders of the Crown Corporations Employers' Association:

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian Public Sector Accounting Standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of the financial statements.

The Board of Directors is composed primarily of Directors who are neither management nor employees of the Association. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities. The Board fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Board is also responsible for recommending the appointment of the Association's external auditors.

Clearline an independent firm of Chartered Professional Accountants, is appointed by the Directors to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Board and management to discuss their audit findings.

11 May 2017



Director



Director

INDEPENDENT AUDITOR'S REPORT

To the Stakeholders of the Crown Corporations Employers' Association:

We have audited the statement of financial position of the Crown Corporations Employers' Association (the "Association") as at 31 March 2017 and the statements of operations and changes in net assets and cash flows 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.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, 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.

Auditor's 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 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.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Association as at 31 March 2017, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 2 of the financial statements, which states that Crown Corporations Employers' Association incurred losses from operations and negative cash flows from operating activities. This, along with other matters described in Note 2, raises substantial doubt about the ability of Crown Corporations Employers' Association to continue as a going concern.

Report on Other Legal and Regulatory Requirements

As required by the Society Act of British Columbia, we report that, in our opinion, the accounting policies applied in preparing and presenting the financial statements in accordance with Canadian public sector accounting standards have been applied on a basis consistent with that of the preceding year.

11 May 2017
Vancouver, BC


CHARTERED PROFESSIONAL ACCOUNTANTS

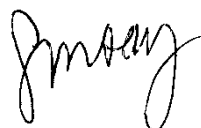
(Under the Society Act of British Columbia)

STATEMENT OF FINANCIAL POSITION

	As at 31 March 2017	As at 31 March 2016
FINANCIAL ASSETS		
Current Assets		
Cash and cash equivalents	\$ 62,314	\$ 75,219
	62,314	75,219
LIABILITIES		
Current Liabilities		
Accounts payable and accrued liabilities	3,800	3,200
Net Assets	58,514	72,019
Accumulated Surplus	\$ 62,314	\$ 75,219

Nature of operations	(1)	Significant accounting policies	(4)
Going concern	(2)	Financial instruments	(5)
Measurement uncertainty	(3)	Fund management	(6)

The financial statements were approved by the board of directors on 11 May 2017 and were signed on its behalf by:



Director



Director

*(Under the Society Act of British Columbia)***STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS**

	Year Ended 31 March 2017	Year Ended 31 March 2016
EXPENDITURES		
Professional fees	\$ 5,432	\$ 5,408
Annual general meeting	8,001	1,877
Bank fees	72	72
	13,505	7,357
(Deficiency) of Revenue over Expenses	(13,505)	(7,357)
Net assets, beginning of year	72,019	79,376
Net Assets, End of Year	\$ 58,514	\$ 72,019

*(Under the Society Act of British Columbia)***STATEMENT OF CASH FLOWS**

	Year Ended 31 March 2017	Year Ended 31 March 2016
OPERATING ACTIVITIES		
(Deficiency) of revenue over expenditures	\$ (13,505)	\$ (7,357)
Changes in non-cash working capital		
Accounts payable and accrued liabilities	600	200
	600	200
Net (Decrease) in Cash	(12,905)	(7,157)
Cash, beginning of year	75,219	82,376
Cash, End of Year	\$ 62,314	\$ 75,219
Supplementary Disclosure		
Cash paid for interest	\$ -	\$ -

CROWN CORPORATIONS EMPLOYERS' ASSOCIATION

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NOTES TO FINANCIAL STATEMENTS

1) Nature of operations

The Crown Corporations Employers' Association (the "Association"), a non-profit, non-taxable entity, was incorporated on 11 February 1994 under the Society Act of British Columbia. The Association's purpose is to improve the efficient, effective and fair delivery of human resource services throughout all member organizations and to assist the Public Sector Employer's Council (the "Council") in carrying out any objective and strategic direction established by the Council.

2) Going concern

These financial statements have been prepared on the basis of the accounting principles applicable to a going concern, which assumes that the Association will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations.

There are several adverse conditions that cast significant doubt upon the soundness of this assumption. Funding from the Associations' members has ceased. For the Association to continue to operate as a going concern it must obtain and maintain additional sources of funding.

If the going concern assumption were not appropriate for these financial statements then adjustments would be necessary to the carrying value of assets and liabilities, the reported expenses and the statement of financial position classifications used and such adjustments could be material.

Management has estimated that the Association has sufficient funds to continue operations for a minimum period of one year.

3) Measurement uncertainty

The preparation of financial statements requires the Association to make estimates and assumptions that affect the amounts of assets, liabilities, revenues and expenses during the reporting period. Uncertainty in the determination of these amounts is known as measurement uncertainty. Actual results could differ from estimates. For many common financial statement items, such as accounts payable and accrued liabilities, measurement uncertainty is inherent but inestimable.

Estimates are based on the best information available at the time of preparation of the financial statements and are reviewed annually to reflect new information as it becomes available.

4) Significant accounting policies

a) Basis of accounting

These financial statements have been prepared in accordance with Canadian public sector accounting standards.

b) Revenue recognition

All revenue is recorded on an accrual basis. Under this method, membership dues are recognized in the period the related services are provided to member corporations.

c) Assets

Assets are recorded to the extent that they represent cash and claims upon outside parties, items held for resale to outside parties, prepaid expenses, deferred charges, or tangible capital assets acquired as a result of events and transactions prior to year-end.

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NOTES TO FINANCIAL STATEMENTS

d) Financial assets

Cash and cash equivalents include cash on hand, demand deposits, and short-term highly liquid investments that are readily convertible to known amounts of cash. These are subject to an insignificant risk of change in value. These short-term investments generally have a maturity of three months or less and are held for the purpose of meeting short-term cash commitments rather than for investing.

e) Liabilities

All liabilities are recorded to the extent they represent claims payable to outside parties as a result of events and transactions prior to year-end. This includes contingent liabilities (when it is likely a liability exists and the amount of the liability can be reasonably determined on an individual or portfolio basis).

5) Financial instruments

a) Fair value

The carrying value of cash and cash equivalents, and accounts payable and accrued liabilities approximates the fair value of these financial instruments due to their short-term maturity or capacity of prompt liquidation.

b) Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Association is not exposed to significant credit risk.

c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Association is exposed to this risk mainly through the receipt of funds and the discharging of its accounts payable and accrued liabilities. As at 31 March 2017 the Association had cash and cash equivalents of \$62,374 (2016 - \$75,219) to settle current monetary liabilities of \$3,800 (2016 - \$3,200). Therefore, the Association is not exposed to significant liquidity risk.

d) Currency risk

The Association deals primarily in Canadian Dollars and is not subject to a significant amount of currency risk.

e) Interest rate risk

Interest rate risk is the risk of losses that arise as a result of changes in contracted interest rates. The Association's exposure to interest rate risk relates to its ability to earn interest income on cash and cash equivalents at variable interests. The Association is not exposed to significant interest rate risk.

6) Fund management

The Association's objective when managing its funds is to ensure sufficient funds are available to meet its obligation and to safeguard the Association's ability to continue as a going concern so that it can continue to provide ongoing support for its members. The Association intends to achieve this objective through continued training, consultations, and cost control.