

Financial Statements of

**BC GAMES SOCIETY**

Year ended March 31, 2019

# BC GAMES SOCIETY

## Management's Responsibility for the Financial Statements

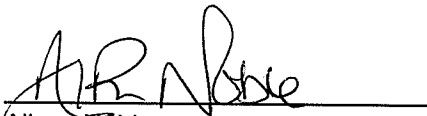
The financial statements have been prepared by management in accordance with Canadian public sector accounting standards, and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all of the notes to the financial statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements. A summary of the significant accounting policies are described in Note 2 to the financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced. The internal controls are designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the financial statements.

The Board of Directors are responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control, and exercises these responsibilities, in part, through the Audit Committee. The Board reviews internal financial statements on a monthly basis and external audited financial statements yearly. The Board also discusses any significant financial reporting or internal control matters prior to their approval of the financial statements.

The external auditors, Dusanj & Wirk Chartered Professional Accountants, conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the financial statements. The external auditors have full and free access to financial management of BC Games Society and meet with the Audit Committee at least annually. The accompanying Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the financial statements.

On behalf of BC Games Society



Alison Noble

President and Chief Executive Officer

## INDEPENDENT AUDITORS' REPORT

**To: The Board of Directors of BC Games Society  
The Minister of Tourism, Arts & Culture**

### **Report on the Financial Statements**

#### **Opinion**

We have audited the accompanying financial statements of BC Games Society (the "Society"), which comprise the statement of financial position as at March 31, 2019 and the statements of operations and accumulated surplus, changes in net financial assets and cash flows for the year ended March 31, 2019 and a summary of significant accounting policies and other explanatory information.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Society as at March 31, 2019 and the results of its operations and changes in net financial assets and cash flows for the year ended March 31, 2019 in accordance with Canadian public sector accounting standards.

#### **Basis for Opinion**

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Society in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Report on Other Legal and Regulatory Requirements**

As required by the Societies Act (British Columbia), we report that, in our opinion, the accounting principles in Canadian public sector accounting standards have been applied on a consistent basis.

#### **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 Canadian public sector accounting standards, and for such internal controls 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 Society's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Society or to cease operations, or has no realistic alternative but to do so.

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

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our 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 our 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, we exercise professional judgement and maintain professional skepticism through the audit. We 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 our 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 Society'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 Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Society 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.

We 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 we identify during our audit.

Victoria, B.C.  
May 15, 2019

*Dusanj & Wirk*

Chartered Professional Accountants

# BC GAMES SOCIETY


## Statement of Financial Position

March 31, 2019, with comparative figures as at March 31, 2018


		2019	2018
<b>Financial assets</b>			
Cash and cash equivalents		\$ (76,497)	\$ 207,647
Short term investments	(Note 3)	1,100,000	1,006,601
Accounts receivable		88,590	219,738
Due from government organizations	(Note 4)	9,872	13,252
		<u>1,121,965</u>	<u>1,447,238</u>
<b>Liabilities</b>			
Accounts payable and accrued liabilities	(Note 5)	97,977	448,022
		<u>97,977</u>	<u>448,022</u>
Net financial assets		1,023,988	999,216
<b>Non-financial assets</b>			
Tangible capital assets	(Note 6)	126,006	119,306
Inventories held for use		1,360	4,240
Prepaid expenses		5,669	16,135
		<u>133,035</u>	<u>139,681</u>
Accumulated surplus	(Note 7)	\$ 1,157,023	\$ 1,138,897
Contractual obligations	(Note 11)		

See accompanying notes to financial statements.

APPROVED BY THE BOARD

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# BC GAMES SOCIETY

## Statement of Operations and Accumulated Surplus

Year ended March 31, 2019, with comparative figures for 2018

	Budget (Note 2(k))	2019	2018
<b>Revenue:</b>			
Province of British Columbia grants	\$ 2,012,500	\$ 2,012,500	\$ 2,012,500
ViaSport contribution for Team BC	484,300	465,795	301,013
Athlete registration	391,000	391,016	199,492
Surplus recoveries (Note 9)	40,000	53,401	137,340
Provincial Sport Organization funding for Team BC	-	-	125,000
Funding partners	60,000	60,000	60,000
BC Senior Games Service Agreement	-	-	46,500
Powering Potential Fund grants (Note 10)	55,000	73,069	44,685
Interest earned	15,000	26,098	24,665
Other revenue	-	3,766	11,163
	<b>3,057,800</b>	<b>3,085,645</b>	<b>2,962,358</b>
<b>Expenses:</b>			
	(Note 10)		
General operating costs	1,843,800	1,682,006	1,745,775
Games operating costs	662,500	944,013	510,700
Operating grants	551,500	441,500	668,500
	<b>3,057,800</b>	<b>3,067,519</b>	<b>2,924,975</b>
Annual surplus	-	18,126	37,383
Accumulated surplus, beginning of year	1,138,897	1,138,897	1,101,514
Accumulated surplus, end of year	<b>\$ 1,138,897</b>	<b>\$ 1,157,023</b>	<b>\$ 1,138,897</b>

See accompanying notes to financial statements.

# BC GAMES SOCIETY

## Statement of Changes in Net Financial Assets

Year ended March 31, 2019, with comparative figures for 2018

	Budget (Note 2(k))	2019	2018
Annual surplus	\$ -	\$ 18,126	\$ 37,383
Acquisition of tangible capital assets	(18,000)	(42,772)	(25,581)
Amortization of tangible capital assets	40,000	36,072	36,354
	22,000	(6,700)	10,773
Acquisition of inventories held for use	-	-	(4,686)
Acquisition of prepaid expenses	-	(12,081)	(17,360)
Consumption of inventories held for use	-	2,880	1,969
Use of prepaid expenses	-	22,547	7,605
	-	13,346	(12,472)
Increase in net financial assets	22,000	24,772	35,684
Net financial assets, beginning of year	999,216	999,216	963,532
Net financial assets, end of year	\$ 1,021,216	\$ 1,023,988	\$ 999,216

See accompanying notes to financial statements.

# BC GAMES SOCIETY

## Statement of Cash Flows

Year ended March 31, 2019, with comparative figures for 2018

	2019	2018
Cash provided by (used in):		
Operating activities:		
Annual surplus	\$ 18,126	\$ 37,383
Items not involving cash:		
Amortization of tangible capital assets	36,072	36,354
Change in non-cash operating working capital:		
Decrease (increase) in short term investments	(93,399)	3,333
Decrease (increase) in accounts receivable	131,148	(219,473)
Decrease (increase) in due from government organizations	3,380	(10,051)
Decrease (increase) in inventories held for use	2,880	(2,718)
Decrease (increase) in prepaid expenses	10,466	(9,754)
Increase (decrease) in accounts payable and accrued liabilities	(350,045)	247,971
Net change in cash from operating activities	(241,372)	83,045
Capital activities:		
Cash used to acquire tangible capital assets	(42,772)	(25,581)
Net change in cash from capital activities	(42,772)	(25,581)
Net change in cash and cash equivalents	(284,144)	57,464
Cash and cash equivalents, beginning of year	207,647	150,183
Cash and cash equivalents, end of year	\$ (76,497)	\$ 207,647

See accompanying notes to financial statements.



# BC GAMES SOCIETY

## Notes to Financial Statements

Year ended March 31, 2019, with comparative figures for 2018

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### 1. Nature of operations

The Society is incorporated under the Societies Act of British Columbia. Currently, the purpose of the Society is to provide event management leadership to achieve sport, individual and community development and to manage the operations of Team BC, which is a team of athletes, coaches, managers, and mission staff that is assembled by the Province of British Columbia to represent the province at Canada's various multi-sport events.

Approximately 65% of the Society's annual revenues are received from the Province of British Columbia with the remainder generated from corporate sponsors, contributions from other societies, surpluses from host societies, athlete registration fees, contract service and interest.

The BC Winter Games and the BC Summer Games are planned and operated by societies incorporated in the host community for each event. These financial statements do not reflect the revenues and expenditures of the local societies.

BC Games Society is exempt from income taxes under the Income Tax Act.

### 2. Summary of significant accounting policies

The term "Society" is used to mean the BC Games Society.

#### (a) Basis of accounting

The accompanying financial statements are prepared in accordance with Public Sector Accounting Board standards of the Chartered Professional Accountants of Canada without any elections to follow standards for government not-for-profit organizations.

#### (b) Cash and cash equivalents

Cash and cash equivalents include cash on hand and highly liquid investments with a term to maturity of three months or less at acquisition. These investments are held for the purpose of meeting short term cash commitments rather than investing.

#### (c) Short term investments

Short term investments include investments with maturities that are capable of prompt liquidation and are cashable on demand.

#### (d) Financial instruments

The Society's financial instruments include cash and cash equivalents, short term investments, accounts receivable, amounts due from government organizations, accounts payable and accrued liabilities.

All financial instruments are measured at amortized cost using the effective interest method. Gains and losses are recognized in the Statement of Operations and Accumulated Surplus when these financial instruments are derecognized due to disposal or are impaired. Transaction costs related to the acquisition of these financial instruments are included in the cost of the related instruments.

# BC GAMES SOCIETY

## Notes to Financial Statements

Year ended March 31, 2019, with comparative figures for 2018

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### 2. Summary of significant accounting policies (continued)

#### (d) Financial instruments (continued)

The Society does not have any financial instruments, such as portfolio investments that are quoted in an active market or derivative instruments, which are valued at fair value, and therefore, no Statement of Remeasurement of Gains and Losses has been included.

#### (e) Non-financial assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

##### (i) Tangible capital assets

Tangible capital assets are recorded at cost, which includes amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets, is amortized on a straight-line basis over their estimated useful lives, as follows:

Asset	Basis	Rate
Computers and application software	Straight Line	3 – 5 Years
Registration software and computer cabling	Straight Line	5 Years
Bedding, torch, flags and signs for host societies	Straight Line	12 years
Furniture and equipment	Straight Line	10 years
Leaseholds	Straight Line	over the term of the lease

Tangible capital assets are written down when conditions indicate that they no longer contribute to the Society's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value.

##### (ii) Works of art, historic assets, and intangibles

Works of art, historic assets, intangible assets and items that have been purchased, developed, or inherited in right of the Crown are not recorded as assets in these financial statements.

##### (iii) Inventories held for use

Inventories held for use are recorded at the lower of cost and replacement cost.

Cost includes the original purchase cost, plus shipping and applicable duties. Replacement cost is the estimated current price to replace the items.

# BC GAMES SOCIETY

## Notes to Financial Statements

Year ended March 31, 2019, with comparative figures for 2018

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### 2. Summary of significant accounting policies (continued)

#### (f) Revenue recognition

Revenues are recognized in the period in which the transactions or events occurred and gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable.

Government transfers are recognized as revenues when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the Statement of Operations and Accumulated Surplus as the stipulation liabilities are settled.

Contributions from other sources are deferred when restrictions are placed on their use by the contributor, and are recognized as revenue when used for the specific purpose. Restricted contributions that must be maintained in perpetuity are recorded as revenue when received or receivable, and are presented as non-financial assets in the Statement of Financial Position.

Revenue related to fees or services received in advance of the fee being earned or the service being performed is deferred and recognized when the fee is earned or service is performed.

Donated or discounted goods and services are recorded at fair value.

Receipt of surplus from Summer and Winter Games Societies are recorded at the earlier of cash receipt and final determination of the amount of the surplus.

Investment income includes interest recorded on an accrual basis, realized gains and losses on the sale of investments, and write-downs on investments where the loss in value is determined to be other-than-temporary.

#### (g) Provincial contributions

The financial statements do not reflect certain administrative expenses incurred and paid directly by the Province of British Columbia in the delivery of the games.

#### (h) Legacy Funds – host communities

Host communities retain 100% of profits from souvenir sales and 50% of their operating surplus, if any, and all interest earned as part of their legacy fund.

#### (i) Grants to host societies

Grants to host societies are recorded as an expense when disbursement of funds has been authorized, eligibility criteria have been met and a reasonable estimate of the amount can be made.

# BC GAMES SOCIETY

## Notes to Financial Statements

Year ended March 31, 2019, with comparative figures for 2018

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### 2. Summary of significant accounting policies (continued)

#### (j) Use of estimates

The preparation of the financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets, liabilities, and related disclosures at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Key areas where management has made estimates and assumptions include those related to the useful life of tangible capital assets and commitments. Where actual results differ from these estimates and assumptions, the impact will be recorded in future periods when the difference becomes known.

#### (k) Budget figures

Annual budget figures are determined by the Society's CEO based on approved funding available, as well as the geographical location of the Society's upcoming games to reflect travel and accommodation expenses for staff and athletes. The Society's budget for fiscal year 2019 was initially approved by the Board of Directors in January 2016 as part of a three-year budget plan and again in January 2018 when the budget was revised. This revised budget is reflected in the Statement of Operations and Accumulated Surplus and the Statement of Changes in Net Financial Assets.

### 3. Short term investments

Short term investments consist of a six-month Guaranteed Investment Certificate (GIC) of \$400,000, which earns interest at 2.30% and has a maturity date of May 21, 2019, and a one-year GIC of \$700,000, which earns interest at 2.00% and has a maturity date of November 1, 2019. The GICs are redeemable after 30 days without penalty.

### 4. Due from other government organizations

The amount due from other government organizations pertains to Goods and Services Taxes (GST) which has been paid on the Society's purchases and expenses, net of GST collected from athlete registration revenue.

### 5. Accounts payable and accrued liabilities

	2019	2018
Trade accounts payable	\$ 1,874	\$ 24,811
Salaries and benefits payable	8,751	12,563
Accrued vacation pay	16,530	19,266
Accrued operating grant	30,000	300,000
Accrued contribution (note 10)	-	56,071
Other accrued liabilities	40,822	35,311
	<u>\$ 97,977</u>	<u>\$ 448,022</u>

# BC GAMES SOCIETY

## Notes to Financial Statements

Year ended March 31, 2019, with comparative figures for 2018

### 6. Tangible capital assets

	Registration software	Computers	Bedding, torch, flags and signs for host societies	Furniture and equipment	Leasehold improvements	2019 Total
<b>Cost</b>						
Opening balance	\$415,474	\$69,239	\$229,985	\$64,174	\$21,444	\$800,316
Additions	9,749	4,651	28,372	-	-	42,772
Disposals	-	(838)	-	-	-	(838)
Closing balance	425,223	73,052	258,357	64,174	21,444	842,250
<b>Accumulated amortization</b>						
Opening balance	380,572	59,519	172,533	46,942	21,444	681,010
Amortization	14,485	6,051	12,374	3,162	-	36,072
Disposals	-	(838)	-	-	-	(838)
Closing balance	395,057	64,732	184,907	50,104	21,444	716,244
Net book value	\$30,166	\$8,320	\$73,450	\$14,070	\$ -	\$126,006

Bedding, torch, flags and signs for host societies includes \$7,966 (cost of \$12,745, net of accumulated amortization of \$4,779) of flags and signs for Team BC.

	Registration software	Computers	Bedding, torch, flags and signs for host societies	Furniture and equipment	Leasehold improvements	2018 Total
<b>Cost</b>						
Opening balance	\$399,711	\$68,187	\$229,985	\$59,527	\$21,444	\$778,854
Additions	15,763	5,171	-	4,647	-	25,581
Disposals	-	(4,119)	-	-	-	(4,119)
Closing balance	415,474	69,239	229,985	64,174	21,444	800,316
<b>Accumulated amortization</b>						
Opening balance	366,248	57,457	161,242	42,384	21,444	648,775
Amortization	14,324	6,181	11,291	4,558	-	36,354
Disposals	-	(4,119)	-	-	-	(4,119)
Closing balance	380,572	59,519	172,533	46,942	21,444	681,010
Net book value	\$34,902	\$9,720	\$57,452	\$17,232	\$ -	\$119,306

Bedding, torch, flags and signs for host societies includes \$9,028 (cost of \$12,745, net of accumulated amortization of \$3,717) of flags and signs for Team BC.

# BC GAMES SOCIETY

## Notes to Financial Statements

Year ended March 31, 2019, with comparative figures for 2018

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### 7. Accumulated surplus

	2019	2018
Investment in tangible capital assets	\$ 126,006	\$ 119,306
Operating surplus	231,017	219,591
Internally restricted surplus	800,000	800,000
	<u>\$ 1,157,023</u>	<u>\$ 1,138,897</u>

The Board has internally restricted \$800,000 of the accumulated operating surplus for transportation costs to the Fort St. John 2020 BC Winter Games.

### 8. Financial risk management

The Society has exposure to the following risks from its use of financial instruments: interest rate risk, liquidity risk and other price risk.

The Board of Directors ensures that the Society has identified its major risks and ensures that management monitors and controls them.

It is management's opinion that there have been no changes to the Society's risk exposures from the previous fiscal year.

#### (a) Interest risk

Interest rate risk is the risk that the rate of return and future cash flows on the Society's GIC investments will fluctuate because of changes in market interest rates. The Society is not exposed to significant interest rate risk relating to its financial assets and liabilities.

#### (b) Liquidity risk

Liquidity risk is the risk that the Society will encounter difficulty in meeting obligations associated with financial liabilities. The Society enters into transactions to purchase goods and services on credit. Liquidity risk is measured by reviewing the Society's future net cash flows for the possibility of a negative net cash flow. The Society manages the liquidity risk resulting from its accounts payable obligations by maintaining significant cash resources and investing in liquid investments.

#### (c) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or foreign currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. Price risk is managed by holding investments to maturity.

# BC GAMES SOCIETY

## Notes to Financial Statements

Year ended March 31, 2019, with comparative figures for 2018

### 8. Financial risk management (continued)

#### (d) Fair value of financial instruments

The carrying amounts of cash and cash equivalents, short term investments, accounts receivable, amounts due from government organizations, accounts payable and accrued liabilities approximate fair value because of the short maturity of these instruments.

### 9. Surplus from host societies

Surplus from the host societies is comprised of:

	2019	2018
Kamloops 2018 Winter Games Society	\$ 53,401	\$ -
Abbotsford 2016 Summer Games Society	-	137,340
	<u>\$ 53,401</u>	<u>\$ 137,340</u>

### 10. Expenses by object

The following is a summary of expenses by object:

	2019	2018
Advertising and promotions	\$ 41,124	\$ 43,330
Amortization	36,072	36,354
Bad debts (recovery)	-	(4,556)
Computer maintenance	9,398	5,234
Contributions	578	66,771
Games operating costs	944,013	510,700
Insurance, leases and utilities	142,424	157,613
Office and business expenses	83,580	78,531
Operating grants	441,500	668,500
Professional services	39,703	39,102
Salaries and employee benefits	769,105	809,442
Team BC operating costs	465,795	426,013
Travel and accommodation	94,227	87,941
	<u>\$ 3,067,519</u>	<u>\$ 2,924,975</u>

Contributions are made to the Powering Potential Fund (PPF) which is registered with the National Sport Trust Fund. The purpose of the PPF is to provide bursaries to BC Games and Team BC athletes, and to fund purchases of equipment required by host communities of the BC Winter Games and the BC Summer Games. Grants received from the PPF are recognized as revenue in the Statement of Operations and Accumulated Surplus. Bursaries and host community equipment purchases funded by the PPF are included in games operating costs.

# BC GAMES SOCIETY

## Notes to Financial Statements

Year ended March 31, 2019, with comparative figures for 2018

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### 11. Contractual obligations

The Society has commitments arising from contractual agreements for office equipment, employment services, and a lease for office premises. It is responsible for all operating costs associated with the property lease. These operating costs totalled \$37,849 in 2019 (2018 - \$32,837) and are included in the amounts reported below. The Society is also committed to provide funding to host societies for staging of future games events:

	2020	2021	2022	2023	2024
General commitments	\$ 251,620	\$ 232,214	\$ 147,905	\$ 120,825	\$ -
Host society commitments	285,000	-	-	-	-
Anticipated host society commitments	200,000	450,000	475,000	450,000	475,000
	<u>\$ 736,620</u>	<u>\$ 682,214</u>	<u>\$ 622,905</u>	<u>\$ 570,825</u>	<u>\$ 475,000</u>

### 12. Remuneration of employees

Under the Societies Act, societies must disclose remuneration paid to directors, and to employees and contractors whose remuneration was at least \$75,000 for the fiscal year.

During the year, there were six employees who met this criterion and the total amount of remuneration paid to these persons was \$516,309. (During the prior year, there were seven employees who met this criterion and the total amount of remuneration paid to these persons was \$636,551.) The Board of Directors receives no remuneration for their services other than reimbursement of expenses.