

**NORTH WEST TEACHERS' ASSOCIATION**  
**AUDITOR'S REPORT AND FINANCIAL STATEMENTS**

**August 31, 2012**

## Management's Responsibility

To the members of North West Teachers 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 generally accepted accounting principles. 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 financial statements.

The Executive is composed of members who are employees of the organization. The Executive is responsible for overseeing management in the performance of its financial reporting responsibilities. The Executive fulfils these responsibilities by reviewing the financial information prepared by the treasurer and discussing relevant matters with external auditors. The Executive is also responsible for recommending the appointment of the organization's external auditors.

Holm Clements Kwong Svenkeson Raiche, an independent firm of chartered accountants, is appointed by the Executive 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 administration to discuss their audit findings.

February 12, 2013  
Date

  
\_\_\_\_\_  
President

  
\_\_\_\_\_  
Treasurer

# *Holm Clements Kwong Svenkeson Raiche*

## *Chartered Accountants*

1321 -101st Street  
North Battleford, Saskatchewan S9A 0Z9  
Telephone: (306) 445-6291 Facsimile: (306) 445-3882  
Email: info@jhsca.ca

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### INDEPENDENT AUDITOR'S REPORT

To the Members

We have audited the accompanying financial statements of North West Teachers' Association, which comprise the statement of financial position as at August 31, 2012, 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 generally accepted accounting principles, 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 North West Teachers' Association as at August 31, 2012, and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

*Holm Clements Kwong Svenkeson Raiche*

North Battleford, Saskatchewan  
February 12, 2013

Chartered Accountants

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G.K. Holm, CA\* W.J. Clements, CA\* G.D. Kwong, CMA, CA\* B.W. Svenkeson, CA\* L.A. Raiche, CA, CFP\*

\*Denotes a Professional Corporation

**NORTH WEST TEACHERS' ASSOCIATION**

**Statement of Financial Position**

**August 31, 2012**

	2012	2011
<b><u>ASSETS</u></b>		
<b>Current</b>		
Cash	\$ 127,836	\$ 120,699
Inventories	4,708	-
	<u>\$ 132,544</u>	<u>\$ 120,699</u>
<b><u>LIABILITIES</u></b>		
<b>Current</b>		
Accounts payable and accrued liabilities	\$ 2,400	\$ 1,000
<b><u>NET ASSETS</u></b>		
<b>Unrestricted</b>	<u>130,144</u>	<u>119,699</u>
	<u>\$ 132,544</u>	<u>\$ 120,699</u>

**On behalf of the Board**

\_\_\_\_\_ *Director*

\_\_\_\_\_ *Director*

See notes to financial statements

**NORTH WEST TEACHERS' ASSOCIATION****Statement of Operations  
for the year ended August 31, 2012**

	2012	2011
<b>Revenue</b>		
Convention fees	\$ 19,267	\$ 24,638
Employment insurance rebate	28,458	28,646
Interest	644	722
Teacher fees	21,018	26,460
	<u>69,387</u>	<u>80,466</u>
<b>Expenses</b>		
Administrative	524	1,625
Convention	23,852	20,849
Honorarium	15,564	12,066
LINC	4,698	250
NWTA meetings	8,752	12,618
Professional development	693	425
Professional fees	1,400	1,460
Public relations	3,459	9,825
	<u>58,942</u>	<u>59,118</u>
<b>Excess of revenue over expenses for the year</b>	<b>\$ 10,445</b>	<b>\$ 21,348</b>

**NORTH WEST TEACHERS' ASSOCIATION**

**Statement of Changes in Net Assets  
for the year ended August 31, 2012**

	2012	2011
<b>Balance - beginning of year</b>	<b>\$ 119,699</b>	<b>\$ 98,351</b>
Excess of revenue over expenses for the year	<u>10,445</u>	<u>21,348</u>
<b>Balance - end of year</b>	<b><u>\$ 130,144</u></b>	<b><u>\$ 119,699</u></b>

**NORTH WEST TEACHERS' ASSOCIATION****Statement of Cash Flows  
for the year ended August 31, 2012**

	2012	2011
<b>Cash flows from operating activities</b>		
Cash receipts from members and others	\$ 69,387	\$ 80,466
Cash paid to suppliers and members	<u>(62,250)</u>	<u>(59,118)</u>
<b>Net cash provided in the year</b>	7,137	21,348
<b>Cash and cash equivalents at beginning of year</b>	<u>120,699</u>	<u>99,351</u>
<b>Cash and cash equivalents at end of year</b>	<u>\$ 127,836</u>	<u>\$ 120,699</u>
<b>Cash and cash equivalents</b>		

Cash and cash equivalents consist of cash on hand, balances and loans with financial institutions. Cash and cash equivalents is comprised of the following statement of financial position amount:

Cash	<u>\$ 127,836</u>	<u>\$ 120,699</u>
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**NORTH WEST TEACHERS' ASSOCIATION****Notes to Financial Statements****August 31, 2012**

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**1. Nature of the association**

The North West Teachers' Association is a teachers' association representing the teachers employed by the Northwest School Division No. 203.

**2. Significant accounting policies**

These financial statements are prepared in accordance with Canadian generally accepted accounting principles. Outlined below are those policies the association considered particularly significant.

**Volunteer services**

Volunteers contribute a significant amount of time to assist the association in carrying out its activities. Because of the difficulty of determining the fair value of such services, contributed services are not recognized in the financial statements.

**Income taxes**

The North West Teachers' Association is not subject to either federal or provincial income taxes.

**Revenue recognition**

Revenue is recognized in the period that it is considered to have been earned and ultimate collection is reasonably assured.

**Use of estimates**

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the period in which they become known.

**Future accounting change*****New accounting framework:***

The CICA has issued a new accounting framework applicable to Canadian not-for-profit organizations. Effective for the annual reporting period that commences on or after January 1, 2012, not-for-profit organizations will have to choose between International Financial Reporting Standards ("IFRS") and Canadian accounting standards for not-for-profit organizations, whichever accounting framework suits them best. Early adoption of these standards are permitted. The association currently plans to adopt the new Canadian accounting standards for not-for-profit organizations for its first fiscal year beginning September 1, 2012 and has not determined the impact of adoption.

**3. Financial instruments**

The association carries various forms of financial instruments. Unless otherwise noted, it is management's opinion that the association is not exposed to significant interest, currency or credit risk arising from these financial instruments.

The fair value of the association's cash and cash equivalents, accounts payable and accrued liabilities approximates their fair value due to their immediate or short-term nature.