

British Columbia Institute of Technology
Faculty and Staff Association
Financial Statements
For the year ended June 30, 2026

British Columbia Institute of Technology
Faculty and Staff Association
Contents

For the year ended June 30, 2026

	<i>Page</i>
Independent Auditor's Report	
Financial Statements	
Statement of Financial Position.....	1
Statement of Operations.....	2
Statement of Changes in Net Assets.....	3
Statement of Cash Flows.....	4
Notes to the Financial Statements	5

Independent Auditor's Report

To the Members of British Columbia Institute of Technology Faculty and Staff Association:

Opinion

We have audited the financial statements of British Columbia Institute of Technology Faculty and Staff Association (the "Association"), which comprise the statement of financial position as at June 30, 2026, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Association as at June 30, 2026, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

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

Responsibilities of Administration and Those Charged with Governance for the Financial Statements

Administration is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, 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.

In preparing the financial statements, management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association'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 judgment and maintain professional skepticism throughout 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 Association'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 Association'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 Association 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.

Report on Other Legal and Regulatory Requirements

As required by the Societies 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 accounting standards for not-for-profit organizations have been applied on a basis consistent with that of the preceding year.

Port Moody, British Columbia

October 6, 2026

MNP LLP

Chartered Professional Accountants

British Columbia Institute of Technology
Faculty and Staff Association
Statement of Financial Position

As at June 30, 2026

	2026	2025
Assets		
Current		
Cash	1,377,596	1,442,177
Short-term investments (Note 3)	746,007	974,089
Membership dues receivable	73,640	161,196
Prepaid expenses	16,985	14,495
	2,214,228	2,591,957
Long-term investments (Note 3)	2,154,300	1,934,300
Capital assets (Note 4)	201,468	63,282
	4,569,996	4,589,539
Liabilities		
Current		
Accounts payable and accrued liabilities (Note 5)	189,442	166,569
Net Assets		
Internally restricted reserves (Note 6)	3,979,086	4,159,688
Unrestricted Operating Fund	200,000	200,000
Investment in capital assets	201,468	63,282
	4,380,554	4,422,970
	4,569,996	4,589,539
Approved on behalf of the Board of Directors		
e-Signed by Trish Albino	e-Signed by Colin Jones	
2026-10-06 21:27:43:43 PDT	2026-10-07 10:05:11:11 PDT	
Treasurer	President	

The accompanying notes are an integral part of these financial statements

British Columbia Institute of Technology
Faculty and Staff Association
Statement of Operations
For the year ended June 30, 2026

	2026	2025
Revenue		
FSA membership dues	2,409,418	2,457,887
Investment income	119,219	129,179
	2,528,637	2,587,066
Expenses		
Salaries, benefits and release time	1,545,255	1,395,210
Affiliations (Note 7)	368,722	402,815
Professional fees	313,791	158,919
Office	99,184	97,635
Travel	66,513	76,715
Liaison and meetings	44,183	71,881
Research and consulting	39,447	38,926
Professional development	28,043	28,010
Insurance	18,755	15,917
Publications and materials	12,868	10,141
Scholarships and endowments (Note 8)	8,000	16,500
Union strike support	4,000	1,000
Bank charges	2,252	2,270
Computer lease	1,707	1,707
Donations	298	2,644
	2,553,018	2,320,290
Excess (deficiency) of revenue over expenses before amortization	(24,381)	266,776
Amortization	18,035	6,937
Excess (deficiency) of revenue over expenses	(42,416)	259,839

The accompanying notes are an integral part of these financial statements

British Columbia Institute of Technology
Faculty and Staff Association
Statement of Changes in Net Assets

For the year ended June 30, 2026

	<i>Internally restricted reserves (Note 6)</i>	<i>Unrestricted Operating Fund</i>	<i>Investment in capital assets</i>	2026	2025
Net assets, beginning of year	4,159,688	200,000	63,282	4,422,970	4,163,131
Excess (deficiency) of revenue over expenses	-	(24,381)	(18,035)	(42,416)	259,839
	4,159,688	175,619	45,247	4,380,554	4,422,970
Purchase of capital assets	-	(8,798)	8,798	-	-
Disbursement from reserves (Note 6)	(151,423)	4,000	147,423	-	-
Unrestricted operating fund deficit (Note 6)	(29,179)	29,179	-	-	-
Net assets, end of year	3,979,086	200,000	201,468	4,380,554	4,422,970

The accompanying notes are an integral part of these financial statements

British Columbia Institute of Technology
Faculty and Staff Association
Statement of Cash Flows
For the year ended June 30, 2026

	2026	2025
Cash provided by (used for) the following activities		
Operating		
Excess (deficiency) of revenue over expenses	(42,416)	259,839
Amortization	18,035	6,937
	(24,381)	266,776
Changes in working capital accounts		
Membership dues receivable	87,556	(104,553)
Prepaid expenses	(2,490)	(2,839)
Accounts payable and accrued liabilities	22,873	(2,689)
	83,558	156,695
Investing		
Net reinvestment of investment income	8,082	6,664
Purchase of capital assets	(156,221)	(50,652)
	(148,139)	(43,988)
Increase (decrease) in cash	(64,581)	112,707
Cash, beginning of year	1,442,177	1,329,470
Cash, end of year	1,377,596	1,442,177

The accompanying notes are an integral part of these financial statements

British Columbia Institute of Technology
Faculty and Staff Association
Notes to the Financial Statements
For the year ended June 30, 2026

1. Purpose of the Association

The British Columbia Institute of Technology Faculty and Staff Association (the "Association") acts as the bargaining agent for technical faculty and staff of the British Columbia Institute of Technology, promoting the interest and well-being of the members and providing formal channels for collective bargaining with their employers on all matters relating to curriculum, employment, production, wages, hours of work, holidays and all other matters affecting the welfare of the employees. The Association also assists the faculty and staff members, as a group, to interrelate with the student body, the administration, the Board of Governors and with the Ministry of Advanced Education and other ministries and administrative agencies of the Province of British Columbia.

The Association is registered under the Societies Act and is a certified trade union. The Association is registered as a not-for-profit organization under the Income Tax Act ("the Act") and as such is exempt from income taxes. In order to maintain its status as a registered not-for-profit organization under the Act, the Association must meet certain requirements within the Act. In the opinion of administration, these requirements have been met.

2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations set out in Part III of the CPA Canada Handbook - Accounting, as issued by the Accounting Standards Board in Canada, which are part of Canadian generally accepted accounting principles, and include the following significant accounting policies:

Cash

Cash includes balances with banks used for operations.

Investments

Investments consist of interest-bearing Guaranteed Investment Certificates ("GIC's") recorded at cost plus interest recorded on an accrual basis. Short-term investments consist of GIC's with terms of one year or less, plus accrued interest. Long-term investments consist of GIC's with terms to maturity of greater than one year.

Revenue recognition

The Association follows the deferral method of accounting for revenue. Unrestricted membership dues are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Unrestricted investment income is recognized as revenue when earned.

Capital assets

Purchased capital assets are recorded at cost. Amortization is provided using the straight-line method at rates intended to amortize the cost of the assets over their estimated useful lives.

	Rate
Computer equipment	5 years
Furniture and fixtures	5 years
Leasehold improvements	20 years

Long-lived assets

Long-lived assets consist of capital assets. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The Association writes down long-lived assets held for use when conditions indicate that the asset no longer contributes to the Association's ability to provide goods and services. The asset are also written-down when the value of future economic benefits or service potential associated with the asset is less than its net carrying amount. When the Association determines that a long-lived asset is impaired, its carrying amount is written down to the asset's fair value.

2. Significant accounting policies *(Continued from previous page)*

Measurement uncertainty (use of estimates)

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires administration to make estimates and assumptions that affect the reported amounts 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 year.

Amortization is based on the estimated useful lives of capital assets. Membership dues receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess (deficiency) of revenue over expenses in the years in which they become known.

Employee future benefits

The Association's employee future benefit program consists of the Municipal Pension Plan. All amounts contributed towards the Municipal Pension Plan are recorded as an operating expense when the contribution is paid or payable.

Financial instruments

The Association recognizes financial instruments when the Association becomes party to the contractual provisions of the financial instrument.

Arm's length financial instruments

Financial instruments originated/acquired or issued/assumed in an arm's length transaction ("arm's length financial instruments") are initially recorded at their fair value.

At initial recognition, the Association may irrevocably elect to subsequently measure any arm's length financial instrument at fair value. The Association has not made such an election during the year.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in excess (deficiency) of revenues over expenses. Conversely, transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

Financial asset impairment

The Association assesses impairment of all its financial assets measured at cost or amortized cost. The Association groups assets for impairment testing when available information is not sufficient to permit identification of each individually impaired financial asset in the group. Administration considers whether the issuer is having significant financial difficulty in determining whether objective evidence of impairment exists. When there is an indication of impairment, the Association determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year.

The Association reduces the carrying amount of any impaired financial assets to the highest of: the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets at the statement of financial position date; and the amount expected to be realized by exercising any rights to collateral held against those assets.

Any impairment, which is not considered temporary, is included in current year excess (deficiency) of revenue over expenses.

The Association reverses impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment loss was recognized. The amount of the reversal is recognized in excess (deficiency) of revenue over expenses in the year the reversal occurs.

British Columbia Institute of Technology
Faculty and Staff Association
Notes to the Financial Statements
For the year ended June 30, 2026

2. Significant accounting policies *(Continued from previous page)*

Net assets

The Association segregates its net assets into the following categories:

Investment in capital assets which represents cumulative purchases of capital assets, net of amortization. The balance in this account is not available for spending unless the Association were to dispose of its capital assets.

Unrestricted operating funds which represent resources available for general operating purposes.

Internally restricted reserves which represent resources available for various internally designated purposes. Use of the internally restricted reserves requires approval from the Board of Directors (see Note 6).

Association's accounting for cloud computing arrangement

The Association has applied the simplification approach to account for expenditures in a cloud computing arrangement. Under the simplification approach, the Association recognizes expenditures related to the elements in the cloud computing arrangement as an expense as incurred.

3. Investments

	2026	2025
Accrued interest	86,007	94,089
GIC's with terms of one year or less	660,000	880,000
Total short-term investments (bearing interest at 3.20% to 5.69%)	746,007	974,089
Total long-term investments (bearing interest at 3.25% to 5.20%)	2,154,300	1,934,300
	2,900,307	2,908,389

4. Capital assets

	Cost	Accumulated amortization	2026 Net book value	2025 Net book value
Computer equipment	146,367	142,227	4,140	6,977
Furniture and fixtures	105,770	93,557	12,213	8,869
Leasehold improvements	194,858	9,743	185,115	47,436
	446,995	245,527	201,468	63,282

5. Accounts payable and accrued liabilities

	2026	2025
Trade accounts payable	132,475	126,152
Payroll liabilities	56,967	40,417
	189,442	166,569

British Columbia Institute of Technology
Faculty and Staff Association
Notes to the Financial Statements
For the year ended June 30, 2026

6. Internally restricted reserves

The Association maintains six internally restricted reserves: the Strike Fund, Special Projects Fund, General Reserve Fund, Legal and Arbitration Fund, Capital Replacement Fund and Union Solidarity and Support Fund. The amounts allocated to the internally restricted reserves are not available for purposes other than as approved by the Board of Directors. The purpose of these reserves are as follows:

The Strike Fund was established for the purposes of paying strike pay, or strike support pay, consistent with established policy, during periods of labour disruption affecting faculty and staff association members. The Strike Fund shall also be used to pay the supplementary costs of office relocation, staff overtime during periods of labour dispute, rental of additional equipment/services, purchase of strike-related supplies, and other relevant expenses.

The Special Projects Fund was established for the purposes of providing a funding source for special projects undertaken by the Board of Directors, which have arisen after the adoption of the operating budget in any period (to a maximum value of \$25,000).

The General Reserve Fund was established for the purposes of paying the cost of winding up the affairs of the Association, discharging any indebtedness arising through employee contracts, maintaining services in the circumstances where membership dues are disrupted or for other purposes of like magnitude, as approved by the Board of Directors.

The Legal and Arbitration Fund was established for the purposes of paying the costs of legal advice and representation and arbitration costs which exceed the funds allocated in the operating budget in any period (to a maximum value of \$200,000).

The Capital Replacement Fund was established for the purposes of paying the costs of replacing capital equipment at the end of its useful life (to a maximum value of \$25,000).

The Union Solidarity and Support Fund was established for purposes of providing financial aid to other Unions during strikes and other job action, and to fund labour movement initiatives that will benefit the Association's members (to a maximum value of \$50,000). The President has discretion to make disbursements from this fund up to a maximum of \$2,000 and single disbursements exceeding \$2,000 will be referred to the Board of Directors for approval. Total disbursements from this fund are limited to a maximum of \$10,000 per year.

All disbursements from internally restricted reserve funds, except as described above, require a special resolution of the Board of Directors, which must be approved by a 2/3 majority of the Directors voting at a meeting in which the motion is debated. The 2/3 majority vote of the Board of Directors is waived if the funds are to be used for strike activity. In case of strike activity, a majority vote of the Board of Directors is necessary. If necessary, all internally restricted reserve funds can be used for strike activities in case of a strike by the Association's membership.

	<i>Opening balance</i>	<i>Disbursement from reserves</i>	<i>Interfund transfers</i>	<i>2026 Ending balance</i>	<i>2025 Ending balance</i>
Strike Fund	3,350,493	-	-	3,350,493	3,350,493
Special Projects Fund	25,000	-	-	25,000	25,000
General Reserve Fund	356,631	-	-	356,631	356,631
Legal and Arbitration Fund	200,000	-	(24,038)	175,962	200,000
Capital Replacement Fund	177,564	(147,423)	(5,141)	25,000	177,564
Union Solidarity and Support Fund	50,000	(4,000)	-	46,000	50,000
	4,159,688	(151,423)	(29,179)	3,979,086	4,159,688

During the year ended June 30, 2026, a total of \$29,179 was transferred out of the internally restricted reserves, allocated as \$24,038 from the Legal and Arbitration Fund and \$5,141 from the Capital Replacement Fund, to cover the Unrestricted Operating Fund deficit for the year.

During the year ended June 30, 2026, a total of \$147,423 was disbursed from the Capital Replacement Fund relating to the Association's office renovations which were capitalized to leasehold improvements, and \$4,000 was disbursed from the Union Solidarity and Support Fund.

British Columbia Institute of Technology
Faculty and Staff Association
Notes to the Financial Statements
For the year ended June 30, 2026

7. Affiliations

Affiliations consist of membership fees paid to the Canadian Association of University Teachers ("CAUT"), the B.C. Federation of Labour, and The National Union of Canadian Association of University Teachers totaling \$280,018 (2025 - \$285,599). During the year, there was also \$88,704 of affiliation contributions made to the CAUT Defence Fund (2025 - \$117,216).

8. Scholarships and endowments

During the year ended June 30, 2026, the Association made contributions of \$Nil (2025 - \$8,500) to the James Macadam Memorial Endowment. The other contributions for scholarships were made in accordance with Association policy.

9. Financial instruments

The Association, as part of its operations, carries a number of financial instruments. It is administration's opinion that the Association is not exposed to significant interest, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed.

Liquidity risk

Liquidity risk refers to the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Association manages liquidity risk by maintaining an adequate amount of liquid assets with various maturities in order to ensure that it can meet all of its financial obligations as they come due.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Association's main credit risk relates to its membership dues receivable and its cash and investments. The Association manages its credit risk by performing regular investigation into delinquent accounts and provides allowances for potentially uncollectible accounts and by holding its funds in large reputable financial institutions where the credit risk is low. The Association has not made any provisions for doubtful accounts during the year.

Interest rate risk

Interest rate risk is the risk that the fair value of a financial instrument might be adversely affected by a change in the interest rates. Changes in market interest rates may have an effect on cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets and liabilities, known as price risk. The Association is exposed to interest rate cash flow risk with respect to its short-term and long-term investments.