

**Canadian Union of  
Labour Employees  
Financial Statements**  
For the year ended December 31, 2004  
(Unaudited)

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For the year ended December 31, 2004  
(Unaudited)

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## Review Engagement Report

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**To the Members of  
Canadian Union of Labour Employees**

We have reviewed the statement of financial position of the Canadian Union of Labour Employees as at December 31, 2004 and the statements of operations, changes in net assets and cash flows for the year then ended. Our review was made in accordance with Canadian generally accepted standards for review engagements and accordingly consisted primarily of enquiry, analytical procedures and discussion related to information supplied to us by the organization.

A review does not constitute an audit and consequently we do not express an audit opinion on these financial statements.

Based on our review, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with Canadian generally accepted accounting principles.

BDO Dunwoody LLP

Chartered Accountants

North Bay, Ontario  
March 4, 2005

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**Canadian Union of Labour Employees  
Statement of Financial Position  
(Unaudited)**

**December 31**

**2004**

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**Assets**

**Current**

Cash and bank - general	\$ 112,996
Cash and bank - restricted	46,170
Short-term investments (Note 1)	62,413
Accounts receivable	<u>11,876</u>
	<b>\$ 233,455</b>

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**Liabilities and Net Assets**

**Current**

Accounts payable and accrued liabilities	<u>\$ 2,000</u>
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**Net Assets**

Internally restricted funds (Note 2)	46,170
Unrestricted funds	<u>185,285</u>
	<u>231,455</u>
	<b>\$ 233,455</b>

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**Canadian Union of Labour Employees  
Statement of Changes in Net Assets  
(Unaudited)**

<b>For the year ended December 31</b>	<b>2004</b>
<b>Unrestricted net assets</b> , beginning of year (Note 3)	\$ 179,102
Excess of revenues over expenses for the year	52,353
<b>Less:</b> transfer to internally restricted net assets	<u>(46,170)</u>
<b>Unrestricted net assets</b> , end of year	<u>\$ 185,285</u>
<b>Internally restricted net assets</b> , beginning of year (Note 2)	\$ -
Transfer from unrestricted fund net assets	<u>46,170</u>
<b>Internally restricted net assets</b> , end of year	<u>\$ 46,170</u>

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

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**Canadian Union of Labour Employees  
Statement of Operations  
(Unaudited)**

For the year ended December 31

	2004 Budget (Unaudited)	2004 Actual
<b>Membership fees</b>	\$ 107,250	<b>\$ 139,908</b>
<b>Expenses</b>		
Executive meetings	33,000	<b>36,032</b>
Negotiations/bargaining	15,000	<b>35,034</b>
Arbitration	9,000	<b>9,135</b>
Joint committees	5,000	<b>4,429</b>
Professional fees	2,500	<b>2,000</b>
Membership services	3,000	<b>1,124</b>
Promotion	1,000	<b>749</b>
Donations, good and welfare	550	<b>352</b>
Printing, stationery and office supplies	2,050	<b>124</b>
Bank charges and interest	250	<b>110</b>
Conferences	250	-
Other income	(100)	<b>(1,534)</b>
	<b>71,500</b>	<b>87,555</b>
<b>Excess of revenues over expenses for the year</b>	<b>\$ 35,750</b>	<b>\$ 52,353</b>

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The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

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**Canadian Union of Labour Employees  
Statement of Cash Flows  
(Unaudited)**

**For the year ended December 31**

**2004**

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**Cash provided by (used in)**

**Operating activities**

Excess of revenues over expenses for the year	\$ 52,353
Changes in non-cash working capital balances	
Accounts receivable	11,813
Short term investments	(794)
Accounts payable and accrued liabilities	<u>2,000</u>
	65,372

**Investing and financing activities**

Increase in restricted cash	<u>(46,170)</u>
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**Increase in cash during the year**

**19,202**

**Cash, beginning of year**

93,794

**Cash, end of year**

**\$ 112,996**

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## **Canadian Union of Labour Employees Summary of Significant Accounting Policies (Unaudited)**

**December 31, 2004**

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<b>Nature of Business</b>	The Canadian Union of Labour Employees is a non-profit, unincorporated organization whose objective is to unite all employees of labour organizations in Canada into a single organization capable of acting in the best interests of its members. It provides collective labour agreement negotiations, protects the interests, rights and privileges of its members and promotes and upholds the principles of equity.
<b>Basis of Accounting</b>	The financial statements are prepared using the accrual basis of accounting.
<b>Financial Instruments</b>	The organization's financial instruments consist of cash, accounts receivable, short-term investments and accounts payable. Unless otherwise noted, it is management's opinion that the organization is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values, unless otherwise noted.
<b>Short-term Investments</b>	Short-term investments are stated at the lower of cost and market value.
<b>Capital Assets</b>	Capital assets are expensed in the year of acquisition.
<b>Income Taxes</b>	The organization is a non-profit organization and as such is not subject to income taxes.



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**Canadian Union of Labour Employees  
Notes to Financial Statements  
(Unaudited)**

**December 31, 2004**

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**1. Short-term investments**

Short-term investments held by the organization consist of seven guaranteed investment certificates, held at a Canadian Chartered Bank, that mature between February 2005 and December 2005. The interest rate on these investments varies between 1% and 1.65% per annum.

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**2. Internally Restricted Net Assets**

Internally restricted net assets consist of funds put aside by director resolution to finance the 2006 annual general meeting to be held in Cuba.

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**3. Comparative Figures**

No comparative figures have been presented since this is the first year the financial statements have been prepared and reported on by a public accountant. Opening net assets were determined by management by obtaining the opening balance of cash and bank, short-term investments and accounts receivable.