

# FINANCIAL

**report**



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**Introduction**

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**Financials**

**2022**

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## Introduction

Article XII, Section 9 the NUPGE Constitution, Duties of the Secretary-Treasurer, requires the Secretary-Treasurer to report to convention. The Constitution is silent on how that report is to be given, but, historically, it has been provided in written form and distributed to all delegates to convention.

Article XII, Section 2 directs your Secretary-Treasurer to provide the Audited Financial Statements to both the National Executive Board (NEB) and to convention. The three Audited Financial Statements since the last NUPGE convention are included in the convention material and should be considered as part of my report.

Although there is no requirement to provide the 2025 fiscal year budget, that was approved by the NEB, for good governance and full transparency that budget is being provided for your information and reference.

While the Constitution requires that I, as your Secretary-Treasurer, report to convention, this report reflects much of the work of the Finance Committee and the NEB. I have relied extensively upon the Finance Committee and the NEB for their guidance, support, and decision-making. I also want to thank President Blundon for his advice and guidance on many issues these past three years.

In June 2022, I was elected as Secretary-Treasurer, but I formally took up the position in August of the same year. I have continued the process started by the previous Secretary-Treasurer, now NUPGE President, of reviewing NUPGE's financial and reporting arrangements, which continue to progress in a manner that is more transparent and accountable.

### 2022 FISCAL YEAR

The Finance Committee continued to be engaged in a meaningful way in the operations of the union. Committee meetings taking place the day prior to full NEB meetings and periodically in between had provided an opportunity to discuss and review important matters for the NEB. In advance of these Finance Committee meetings, agendas and all relevant documents were provided to committee members.

Important financial considerations were discussed and considered by the Finance Committee, and, where appropriate, recommendations were made to the NEB. This process has allowed for better decision-making and more adequately informs the board before any final decisions are made. Minutes of Finance Committee meetings are now approved by the committee and, once approved, available to the NEB.

I have continued the process, in consultation with the Finance Committee, of improving the presentation of our internal unaudited Revenue and Expenditure Statements. The goal has been to enable the reader to better understand our revenue and expenditures.

Continuing the practice established by the previous Secretary-Treasurer, the use of dues estimates was eliminated and replaced with actuals. This provides not only a more accurate

accounting of dues at any given point in time but also critical information to board members regarding the submissions of their own Component dues. The Balance Sheet continues to record anticipated dues as receivable, adhering to proper accounting standards.

In late 2022, your Secretary-Treasurer started discussions with the Finance Committee pertaining to several issues that would need to be considered in the 2023 fiscal year. Among those issues were the purpose and use of Restricted Accounts on the Balance Sheet, understanding accrued Staff Benefits and Long-Term Liabilities, and a new investment focus.

2022 ended with an unqualified audit opinion, with the auditors concluding:

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Union as at December 31, 2022.

For the 2022 fiscal year, the financial statements show that we ended the year with a surplus of \$1,442,650.

Excluding Canadian Labour Congress (CLC) dues of \$2.67 million, which are simply passed through NUPGE to the CLC on behalf of our Components, NUPGE revenue totaled \$7.04 million, which represented a decrease of about \$47,000 from the 2021 fiscal year. Expenditures, excluding CLC's of \$2.67 million, grew from \$4.64 million to \$5.60 million.

The Balance Sheet as at December 31, 2022 improved from the prior year, with Assets growing by \$1.49 million, to \$12.05 million from \$10.56 million. Liabilities grew to \$2.39 million from \$2.34 million, or by \$49,959. More importantly, however, long-term liabilities in the form of Accrued Benefit Obligation and the Provision for Severance Pay only increased marginally by (\$18,447). Our Net Assets, or retained earnings for the fiscal year, increased by \$1.44 million, from \$8.22 million in 2021 to \$9.66 million by year-end 2022.

During COVID, in keeping with provincial and local directives, the NUPGE staff primarily worked from home. As the rest of the world was returning to the workplace in May 2022, a major storm blew through the Ottawa region. At this point, a large branch of a tree near the office was blown down onto the roof of our building. This punctured the roof, causing considerable damage, and allowing rain to accumulate on the floor of the building. In addition, there was an extended power outage in the area and the building was without electricity for more than seven days, severely hampering the clean up effort.

Much of the building required extensive rehabilitation. Discussions with the landlord and our insurance company ensued. As a result, the building remained closed for the remainder of 2022. The landlord's insurance covered most of our rent while the office was closed with NUPGE being responsible for a much smaller storage fee. For 2022, there were considerable savings accrued in rent costs.

At this time, there was a decision to introduce some renovations to the building, creating five separate new office spaces for staff, that were sorely needed.

At the end of 2022, NUPGE saw a surplus of \$1,442,650 largely as a result of the lower expenses in rent paid.

**2023 FISCAL YEAR**

Building on the work that had already been done with NUPGE's finances, the 2023 fiscal year continued to review and evaluate the presentation of our financial statements and look to ways it could be improved. Additionally, I began a systematic review of expenditures, with an eye to how they impacted services and operations. This process also allowed me to reallocate spending on important and emerging areas of importance as identified by the NEB and the Finance Committee. These changes would be implemented in my first budgetary process, again guided by the recommendations and input of the Finance Committee. The budget was approved by the NEB.

As was previously implemented, the budget provides an account for Severance Pay Expenses, Vacation Pay Expenses, Employee Future Benefits or Depreciation. These expenses continue to be included as budget items, and, as such, would be reported to the Board on our internal financial statements. This also has the benefit of the internal Balance Sheet noting the accruals as they occur, resulting in the Board being provided with a more up-to-date snapshot of our financial position, enabling it to make immediate decisions as circumstances arise. This change has also resulted in our internal financial statements being more closely aligned with the Audited Financial Statements at year-end.

The 2023 budget process focused NUPGE spending to address priorities established by the NEB. In particular, the Communications and Public Relations budget line spending was increased and made more transparent in reporting. The Communications budget line was increased to \$600,000 from the \$500,000 previously established. This was used to implement the review of NUPGE's communications strategy that was conducted by NOW Communications Group and Metric Strategies at an expense of \$99,655.

As in 2022, the 2023 fiscal year-end Audited Financial Statements included an unqualified audit opinion from the auditors:

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Union as at December 31, 2023.

The 2023 fiscal year Audited Financial Statements reveal that our revenue exceeded spending by \$3.10 million. The large surplus occurred because of several reasons.

An increase of \$1.75 million in revenue excluding CLC dues when compared to the 2022 fiscal year's helped add to the surplus. Understanding why the increase in revenue occurred is important for future planning. \$86,647 of additional revenue was submitted by a number of our Component unions after the 2022 audit was completed. In essence, this amount could have been captured in our 2022 fiscal year, increasing the surplus for that year by the same amount. But to do so would require a restatement of the approved 2019 Audited Financial Statements, incurring additional audit fees. To avoid those costs, the \$86,647 was recognized in the 2022 fiscal year. This decision had no impact on the Balance Sheet. In short, several Components' dues were more than they budgeted, resulting in dues received of \$513,130 more than budgeted by Components, making for dues revenues up by \$838,349 compared to 2022.

We saw an increase in recorded investment revenue of \$913,228 which also added to the increase in total revenue. However, caution is required when considering investment revenue. Unrealized gains were recorded in 2023 at \$410,518 where 2022 resulted in losses at (\$301,761). Unrealized gains are a simple recording of the increased value of our stocks and bonds when compared to their purchase price. The gains do not crystalize until such time as the security is sold, and, as such, this number fluctuates with the volatility of the markets and cannot be relied upon for yearly planned spending priorities.

In summary, the 2023 Audited Statement of Revenue and Expenditures records an increase of \$141,310 in spending, from \$8.27 million in 2022 to \$8.41 million in 2023 fiscal year. An increase in revenue of \$1.75 million from those realized in the 2022 fiscal year, or an increase from \$7.04 million to \$8.79 million, closed out the fiscal year. The 2023 surplus increased by \$1.66 million from the \$1.44 million surplus realized in 2022, for a total of \$3.10 million.

With a surplus occurring in fiscal year 2023, it is not surprising that the Balance Sheet continued to strengthen throughout the year. Total assets of \$12.06 million in 2022 grew by \$3.15 million to \$15.21 million. Liabilities grew during the same period from \$2.40 million to \$2.45 million. Accrued Benefit Obligation and the Provision for Severance Pay totaled \$1.03 million, decreasing from \$1.18 million. The actuarial discount rate, or expected rate of return, was lowered from 5.0% to 4.6% by the Actuary, resulting in an increase of \$57,500. The remaining increase can be attributed to an increase in severance accruals and corresponding change in value realized with annual salary increases. Our Net Assets, or retained earnings for the fiscal year, increased by \$3.10 million, from \$9.66 million in 2022 to \$12.76 million by 2023 fiscal year-end.

With the office closed due to restoration and renovations, the NEB started to discuss the possibility of moving the office to a more central location in the city of Ottawa. The existing office was a considerable distance from downtown and, more importantly, Parliament Hill. It was also recognized, as the staff complement of NUPGE grew, the existing office space was inadequate for future needs. In addition, the damage only served to highlight some inadequacies in the building – such as a frequently leaky roof and poor heating and ventilation.

The decision was made to contract with realtors to commence the search for either purchasing or leasing a new office space.

In 2023, the further implementation of the communications strategy developed for NUPGE was acted upon. A new position of Director of Communications, Political Action and Campaigns was created and steps taken to actively recruit a qualified candidate began. At the end of 2023, the position was filled and the new senior excluded staff began work in January 2024.



**2024 FISCAL YEAR**

With the Canadian economy starting to recover from COVID, there was more growth in our membership. The revenue for the 2024 fiscal year grew from \$8.79 million in fiscal 2023 to \$9.61 million. Increased dues revenue from all 11 Component unions totaling \$786,211 was the main contributor. An additional \$79,278 of investment revenue was realized, rounding out the \$822,732 increase.

Expenditures increased by \$495,151 compared to the prior year. Increased spending in Administration (new salaries and payout of benefits), Office Operations (due to a mostly full year's rent compared to 2023), and Programs (Communications & Special Project with the CLC), was offset by reductions in Conferences and Net Conventions, Other Affiliations and Solidarity/Support. Expenditures, after the removal of CLC dues, ended the year at \$6.18 million, up slightly from the \$5.68 million from the prior year.

The 2024 year-end Balance Sheet was further strengthened with assets increasing by an additional \$3.12 million, bringing total assets to \$18.33 million. Liabilities decreased by \$306,102 during the year to \$2.14 million. Net assets, or retained earnings, stand at \$16.19 million, an increase of \$3.43 million from the prior year.

In 2024, the auditors again concluded:

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Union as at December 31, 2024.

The 2024 fiscal year Audited Financial Statements reveal that our revenue exceeded spending by \$3.43 million.

While still showing a strong surplus at year-end, and the strengthening of the Balance Sheet, the Finance Committee and I continued our efforts to restructure and reallocate spending to priority areas, to mitigate cost increases pertaining to accrued benefits, and to use the Balance Sheet to derive additional sources of investment income.

Since early 2021, the National Union Advantage Program (NUAP) was overseen using in-house resources, eliminating a \$60,000-per-year expenditure. The relationship with Intact Insurance, formerly known as Johnson Insurance, generates annual revenues of \$250,000. NUPGE staff look to further promote and expand the NUAP program. Most recently, an arrangement was made with Union Savings in a manner that complemented the program with Intact.

As the impacts of climate change are increasingly felt, the NEB perceived that reflecting the inevitable demands on donations arising from global crises was called for. It was decided a dedicated budget line, funded by the monies from Intact Insurance, would be created to respond to domestic devastation due to wildfires or climactic upheaval.

As NUPGE's finances continue to be robust and stable, the Finance Committee and I have further pursued investment opportunities. While always cautious, recognizing that this is ultimately members' money, we are starting to see some returns on our investments.



Something that received increasing attention in 2024 was developing more policies related to financial practices within NUPGE. Depending on the invaluable input of the Finance Committee, we started working on developing a procurement policy for NUPGE. This was discussed at multiple meetings of both the Finance Committee and the NEB, and was ultimately adopted by the NEB in 2024.

With the increased emphasis on financial transparency and accountability, a decision was made in 2024 to hire another staff member to primarily work with the Financial Administrator to keep the books up to date. As a result, financial reporting to the Finance Committee and the NEB is the most current they have ever been.

Arising from the procurement policy, it was decided to issue a Request for Proposal (RFP) for NUPGE's annual audit. This proved to be a challenging but also highly positive process for the union. We have moved auditors from Logan Katz LLP to Baker Tilly Ottawa LLP. While this triggered the need to bring the auditor up to date on NUPGE and its practices, they also brought fresh eyes to our financial management and have provided some valuable recommendations.

## **2025 BUDGET**

The 2025 fiscal year budget comes as the world faces considerable challenges. The potential impact of a trade war with the United States is still unclear. Canada has just undergone a critical federal election and, while the Liberal Party remains in power, the economic policies of the new Prime Minister may differ significantly from his predecessor. It is likely that we may see austerity measures implemented at the federal level that will, eventually, be felt within the provinces and territories.

The 2025 budget is designed to provide the necessary room to support each of our Component unions and engage our membership while still protecting our Balance Sheet.

This year's budget is projecting dues revenue increase by about \$208,000. Total revenue is projected to be \$9.56 million. This year's NUPGE Triennial Constitutional Convention will be the most significant expenditure of 2025 outside of our administration costs which include salaries and benefits.

NUPGE has also decided to continue implementing the communications strategy that was developed in 2023-2024. To that end, a new National Representative focusing on digital communications and design was hired in the first quarter of 2025. As a result, NUPGE's communications capacity has significantly increased.

It is also the case that NUPGE, over the past 5-6 years, has embarked on a process of addressing systemic inequalities within our union and its structures. As part of this, a new National Representative for Equity, Diversity, Inclusion and Accessibility was also hired in the first quarter of 2025. We have already begun changing internal policies to reflect best practices for these issues. We are also looking at conducting an equity audit of the union as a whole.

Finally, and possibly most exciting, is that NUPGE has secured a new office space in downtown Ottawa for the fall of 2025. The new location is within sight of Parliament Hill, meets

organization requirements for the future and, I am proud to say, is financially prudent. The cost per square foot is well within what the costs are for the current office space which is geographically in a much cheaper rental area far from downtown. While we are a little sad to be leaving what has been our office space for nearly 30 years, we are excited about this new step forward.

This is only just a snapshot of what we have been working on for the past three years. It has been an incredible privilege to serve as your Secretary-Treasurer for the last three years.

I especially want to thank the Finance Committee for their patience and support these past three years. They have played an important role in my work and made an immeasurable contribution to NUPGE.

I also want to thank the National Executive Board for your support and consideration. It is indeed an honour and privilege to work with all of you.

I would be remiss not to acknowledge the guidance of President Bert Blundon. Although he treats our professional relationship as being partners, I have often leaned on him for his expertise in financial matters. Thanks Bert!

Finally, I want to acknowledge our extremely talented staff, led by Director of Communications, Political Action and Campaigns Jeanne d'Arc Umurungi and our Managing Director, Len Bush. Both of whom have work ethics, second to none.

And to NUPGE's Financial Administrator, Lynda McGuigan, who has kept the NUPGE boat financially afloat for many years. She always provides a thoughtful and knowledgeable voice on these matters. She has assisted me in more ways than I think even she appreciates. While our time working together has been short, I have increasingly grown to depend on the recently hired Chloe Truong for keeping our bookkeeping more current than it ever has been in the past.

Respectfully submitted,

**Jason MacLean**  
Secretary-Treasurer





**2022**

# **FINANCIALS**

# NATIONAL UNION OF PUBLIC AND GENERAL EMPLOYEES

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## INDEPENDENT AUDITORS' REPORT

To the Members of National Union of Public and General Employees:

### Opinion

We have audited the financial statements of National Union of Public and General Employees (the "Union"), which comprise the statement of financial position as at December 31, 2022, and the statements of changes in net assets, revenue and expenditures, 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 Union as at December 31, 2022, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations ("ASNFP").

### 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 *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Union 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 Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with ASNFP, 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 these financial statements, management is responsible for assessing the Union's ability to continue as a going concern, disclosing, as applicable, matters related to a going concern and using the going concern basis of accounting unless management either intends to liquidate the Union or to cease operations, or has no realistic alternative to do so.

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

### Auditors' 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 auditors' 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.



## INDEPENDENT AUDITORS' REPORT (continued)

### Auditors' Responsibilities for the Audit of the Financial Statements (continued)

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 Union'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 Union's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Union 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 the audit.

Chartered Professional Accountants  
Licensed Public Accountants

Ottawa, Canada  
September 27, 2023



# NATIONAL UNION OF PUBLIC AND GENERAL EMPLOYEES

## STATEMENT OF FINANCIAL POSITION

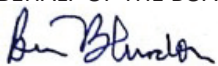
AS AT DECEMBER 31, 2022

	2022	2021
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash	\$ 4,475,403	\$ 6,793,197
Short term investments (Note 5)	1,534,513	-
Accounts receivable (Note 3)	1,066,865	614,495
Prepaid expenditures and advances	215,483	169,961
	7,292,264	7,577,653
<b>INVESTMENTS</b> (Note 5)	4,698,400	2,900,429
<b>CAPITAL ASSETS</b> (Note 6)	68,639	88,612
	\$ 12,059,303	\$ 10,566,694
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued liabilities (Notes 7 and 10)	\$ 788,846	\$ 764,487
Provision for vacations	423,345	416,192
	1,212,191	1,180,679
<b>ACCRUED BENEFIT OBLIGATION</b> (Note 8)	491,400	557,100
<b>PROVISION FOR SEVERANCE PAY</b> (Note 8)	693,308	609,161
	2,396,899	2,346,940
<b>NET ASSETS</b>		
Invested in capital assets	68,639	88,612
Internally restricted for contingencies (Note 2)	1,450,000	1,450,000
Internally restricted for defence fund (Note 2)	1,000,000	1,000,000
Internally restricted for John Fryer fund (Note 2)	73,612	73,612
Unrestricted	7,070,153	5,607,530
	9,662,404	8,219,754
	\$ 12,059,303	\$ 10,566,694

Commitments (Note 9)

Financial instruments (Note 10)

ON BEHALF OF THE BOARD:



, President



, Secretary-Treasurer

# NATIONAL UNION OF PUBLIC AND GENERAL EMPLOYEES

## STATEMENT OF CHANGES IN NET ASSETS

YEAR ENDED DECEMBER 31, 2022

	2022					2021	
	Invested in	Internally Restricted for		John Fryer	Unrestricted	Total	Total
	Capital Assets	Contingencies	Defence				
<b>BALANCES AT BEGINNING OF YEAR</b>	\$ 88,612	\$ 1,450,000	\$ 1,000,000	\$ 73,612	\$ 5,607,530	\$ 8,219,754	\$ 5,767,993
Excess of revenue over expenditures	-	-	-	-	1,442,650	1,442,650	2,451,761
Disposal of capital assets	(2,077)	-	-	-	2,077	-	-
Acquisition of capital assets	5,626	-	-	-	(5,626)	-	-
Amortization of capital assets	(23,522)	-	-	-	23,522	-	-
<b>BALANCES AT END OF YEAR</b>	\$ 68,639	\$ 1,450,000	\$ 1,000,000	\$ 73,612	\$ 7,070,153	\$ 9,662,404	\$ 8,219,754

# NATIONAL UNION OF PUBLIC AND GENERAL EMPLOYEES

## STATEMENT OF REVENUE AND EXPENDITURES

YEAR ENDED DECEMBER 31, 2022

	2022	2021
<b>REVENUE</b>		
Components		
Dues revenue - Schedule 1	\$ 6,890,234	\$ 6,559,238
Canadian Labour Congress ("CLC") revenue - Schedule 1	2,669,870	2,589,275
	9,560,104	9,148,513
Investment income		
Interest	92,406	49,094
Dividends	16,951	11,049
Gain on sale of investments	45,348	62,787
Unrealized (loss) gain on investments	(301,761)	68,380
	(147,056)	191,310
Other income	298,574	338,595
	9,711,622	9,678,418
<b>GENERAL EXPENDITURES - Schedules 2 &amp; 3</b>		
CLC expenditures	2,669,870	2,589,275
Other affiliations	193,568	539,641
Conferences and net conventions	850,033	-
Executive and committee meetings	275,137	92,737
Programs	483,674	430,718
Solidarity/support	410,640	231,707
Administration	3,007,712	2,757,740
Office operations	378,338	584,839
	8,268,972	7,226,657
<b>EXCESS OF REVENUE OVER EXPENDITURES</b>	<b>\$ 1,442,650</b>	<b>\$ 2,451,761</b>

# NATIONAL UNION OF PUBLIC AND GENERAL EMPLOYEES

## STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2022

	2022	2021
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Excess of revenue over expenditures	\$ 1,442,650	\$ 2,451,761
Items not involving cash:		
Amortization of capital assets	23,522	25,630
Provision for accrued benefit obligation	46,200	45,000
Provision for actuarial gain	(82,400)	(29,900)
Unrealized loss (gain) on sale of investments	301,761	(68,380)
Loss on disposal of capital assets	2,077	-
	1,733,810	2,424,111
Changes in non-cash operating working capital:		
Accounts receivable	(452,370)	732,475
Prepaid expenditures and advances	(45,522)	(21,415)
Accounts payable and accrued liabilities	24,359	93,931
Payment of accrued benefit obligation	(29,500)	(25,400)
Provision for severance payable	84,146	50,562
Provision for vacations	7,153	54,932
	1,322,076	3,309,196
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of capital assets	(5,626)	(49,935)
Net (purchase) redemption of short term investments	(1,534,512)	813,404
Net purchase of long term investments	(2,099,732)	(623,560)
	(3,639,870)	139,909
<b>(DECREASE) INCREASE IN CASH</b>	(2,317,794)	3,449,105
Cash at beginning of year	6,793,197	3,344,092
<b>CASH AT END OF YEAR</b>	\$ 4,475,403	\$ 6,793,197

# NATIONAL UNION OF PUBLIC AND GENERAL EMPLOYEES

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2022

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### GENERAL

The National Union of Public and General Employees (the "Union") primary objective is the formation of a strong, unified organization representing workers of provincial governments and other employers across Canada. The Union provides aid and assistance to its members in the areas of social, economic and legislative concern.

The Union is a labour organization and, as such, is exempt from income taxes.

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNFO") and include the following significant accounting policies:

#### Revenue Recognition

The Union follows the deferral method of accounting for revenue. Unrestricted revenue is recognized when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Restricted revenue is recognized in the year in which the related expenses are incurred.

Dues and Canadian Labour Congress ("CLC") revenue are recognized in the month in which members' deductions occur.

Investment income includes interest and dividends earned on investments held, as well as realized and unrealized gains and losses, when applicable. Amounts are recognized as revenue in the period earned.

Other revenues consist of dues for constituent members and income from negotiating group buying opportunities for members which are recognized when the amount to be received can be reasonably estimated and collection is ultimately assured.

#### Cash and Cash Equivalents

The Union's policy is to present bank balances and term deposits with a maturity period of three months or less from the date of acquisition under cash and cash equivalents.

#### Capital assets

Capital assets are recorded at cost. Amortization is provided using the following annual rates and bases:

Computer equipment	33 1/3%	declining balance
Furniture and equipment	10%	declining balance
Leasehold improvements	3 and 5 years	straight-line

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# NATIONAL UNION OF PUBLIC AND GENERAL EMPLOYEES

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2022

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Use of Estimates

These financial statements have been prepared by management in accordance with ASNFPO and accordingly, require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenditures during the reporting period. Actual results could differ from these estimates. The significant estimates in the financial statements include the collectibility of receivables, estimated useful lives of capital assets, the amount of certain accrued receivables and liabilities, provisions for vacations and severance pay and the accrued benefit obligation.

#### Financial Instruments

##### *Measurement of financial instruments*

The Union initially measures its financial assets and liabilities at fair value.

The Union subsequently measures all its financial assets and financial liabilities at amortized cost except investments in equity instruments that are quoted in an active market which are measured at fair value. Changes in fair value are recognized in the statement of revenue and expenditures.

Financial assets measured at amortized cost include cash, investments in guaranteed investment certificates and accounts receivable.

Financial assets measured at fair value include investments in government debentures, mutual funds, and publicly traded equity securities.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities, provisions for vacations, accrued benefit obligations, and severance pay.

##### *Impairment*

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in the statement of revenue and expenditures. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in the statement of revenue and expenditures. The accounts receivable balance is net of an allowance for doubtful accounts of \$Nil (2021 - \$84,000).

##### *Transaction Costs*

Transaction costs are comprised primarily of legal, accounting, underwriters' fees and other costs directly attributable to the acquisition, issuance or disposal of financial assets or financial liabilities.

# NATIONAL UNION OF PUBLIC AND GENERAL EMPLOYEES

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2022

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Financial Instruments (continued)

##### *Transaction Costs (continued)*

Transaction costs related to financial assets or financial liabilities that are measured at amortized cost are netted against the carrying value of the financial asset or liability.

#### Employee Future Benefits

ASNFPPO requires an accounting for employee future benefits. The Union provides various future benefits to its employees subsequent to retirement.

##### *Defined Benefit Retirement Health and Dental Plan (the "Benefit Plan")*

The Benefit Plan provides for ten years of health benefits coverage to employees who retire after ten years of service, have reached fifty years of age and are no longer employed on a full-time basis.

The Union accrues its obligations for the Benefit Plan as the employees render the services necessary to earn benefits. The cost of non-pension post-retirement benefits earned by employees is actuarially determined using the projected benefit method. The discount rate used in the valuation is in accordance with the CPA Canada Handbook and the actuarial assumptions are management's best estimate assumptions. The most recent actuarial valuation was performed as at December 31, 2020. The next scheduled valuation will be as at December 31, 2023.

##### *Severance Pay*

Employees leaving the Union are entitled to a severance payment based on their term of service. The Union has accrued the amount that would have been payable for severance pay had all employees been terminated at year end.

##### *Multi-Employer Pension Plan*

The Union participates in the Canada-Wide Industrial Pension Plan (the "CWIPP"), a multi-employer plan providing pension benefits to all of its employees. Regular defined contributions are made by the Union to the plan trustee on behalf of each employee. The costs of providing the benefits under the multi-employer pension plan are recorded as an expenditure in the period the contributions become payable.

#### Foreign Currency Transactions

The Union uses the temporal method to translate its foreign currency transactions.

Monetary assets and liabilities, if any, are translated at the rate of exchange in effect at year end. Other assets and liabilities are translated at their historic rates. Items appearing in the statement of revenue and expenditures are translated at average annual rates. Exchange gains and losses are included in the statement of revenue and expenditures.

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# NATIONAL UNION OF PUBLIC AND GENERAL EMPLOYEES

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2022

### 2. INTERNAL RESTRICTIONS

All internally restricted amounts are not available for other purposes without the approval of the finance committee, which reports to the Union's National Executive Board ("NEB").

### 3. ACCOUNTS RECEIVABLE

	2022	2021
Components - Dues and CLC per capita	\$ 964,439	\$ 508,004
Other	102,426	190,491
	1,066,865	698,495
Less allowance for doubtful accounts	-	(84,000)
	\$ 1,066,865	\$ 614,495

The Union determined that collection on the other accounts receivable related to the Canadian Health Professional Secretariat ("CHPS") dues revenues from a constituent member was unlikely. An allowance for doubtful accounts was recorded in the prior year and recognized in office operations in the statement of revenue and expenditures. The amount was written off against the allowance for doubtful accounts in the current year.

### 4. LOAN RECEIVABLE

	2022	2021
Loan to a third party not-for-profit organization in the amount of \$Nil (2021 - \$115,766), indefinite term, with interest payable quarterly at credit union line of credit rate (3.5% current rate), secured by pledge of furniture and equipment. There are no scheduled terms of repayment. The interest had been waived in prior years.	\$ -	\$ 115,766
Less 2016 provision for loan impairment	-	(115,766)
	\$ -	\$ -

During the year, the National Executive Board ("NEB") approved the forgiveness of the loan receivable in full. The NEB determined that the amount would not be collected.

# NATIONAL UNION OF PUBLIC AND GENERAL EMPLOYEES

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2022

### 4. LOAN RECEIVABLE (continued)

The full amount of the loan receivable had been provided for in a previous fiscal year.

### 5. INVESTMENTS

Investments consist of:

	2022	2021
Short term		
Guaranteed investment certificates earning interest at annual rates of 3.6% to 4.35%, with maturity dates between August and October 2023.	\$ 1,518,395	\$ -
Accrued interest	16,117	-
	\$ 1,534,512	\$ -
Long term		
Guaranteed investment certificates earning interest at an annual rate of 4.3% and 5.24%, with maturity dates between July 2024 and November 2025.	\$ 2,737,524	\$ 708,331
Government debentures earning interest at varying annual rates from 0.25% to 1.10% (2021 - 0.25% to 1.05%), with maturity dates between April 2024 and March 2031 (2021 - April 2024 and September 2027).	375,968	678,948
Publicly traded equity securities	1,287,431	1,180,897
Mutual funds	250,056	324,412
Foreign securities	15,266	-
Accrued interest	32,155	7,841
	\$ 4,698,400	\$ 2,900,429

Part of the investments are internally restricted for post retirement benefits, severance costs, and the contingencies, convention, and John Fryer (previously social justice) funds.

# NATIONAL UNION OF PUBLIC AND GENERAL EMPLOYEES

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2022

### 6. CAPITAL ASSETS

	2022			2021	
	Cost	Accumulated Amortization	Net	Net	
Computer equipment	\$ 164,324	\$ 138,989	\$ 25,335	\$ 34,453	
Furniture and equipment	334,357	301,072	33,285	36,983	
Leasehold improvements	73,684	63,665	10,019	17,176	
	\$ 572,365	\$ 503,726	\$ 68,639	\$ 88,612	

### 7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2022	2021
Trade payables and accrued liabilities	\$ 754,299	\$ 737,887
Government remittances	34,547	26,600
	\$ 788,846	\$ 764,487

### 8. EMPLOYEE FUTURE BENEFITS

#### Defined Benefit Retirement Health and Dental Plan

The Union offers the Benefit Plan which provides extended health care and dental insurance benefits to certain of its employees and extends this coverage to the post-retirement period, as described in Note 1.

The Union's liability associated with the Benefit Plan is as follows:

	2022	2021
Accrued benefit obligation - beginning of year	\$ 557,100	\$ 567,400
Current service cost	30,700	32,700
Interest cost on accrued benefit obligation during the year	15,500	12,300
Benefit payments made by the Union during the year	(29,500)	(25,400)
Actuarial gain	(82,400)	(29,900)
Accrued benefit obligation - end of year	\$ 491,400	\$ 557,100

# NATIONAL UNION OF PUBLIC AND GENERAL EMPLOYEES

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2022

### 8. EMPLOYEE FUTURE BENEFITS (continued)

The Union's defined benefit plan is not funded, resulting in a plan deficit equal to the accrued benefit obligation.

The significant actuarial assumptions adopted in estimating the Union's accrued benefit obligations are as follows:

	2022	2021
Discount rate to determine accrued benefit obligation	5.0%	2.7%
Dental cost increases	3.5%	3.5%
Extended healthcare cost escalations	8.0%	8.0%
Expected average remaining service life of employees	15 years	15 years

#### Severance Payable

Certain employees are entitled to severance pay upon termination of their employment as set out in their collective agreements or individual contracts of employment with the Union. The Union has accrued this liability based on employee entitlements under its collective agreement. An actuarial valuation has not been performed on this liability, however, related annual costs are calculated based on each employee's current rate of pay applied to the annual additional severance earned.

#### Multi-Employer Pension Plan

All permanent employees of the Union are members of the CWIPP which is a multi-employer, target benefit, average earnings over lifetime of contributions, contributory pension plan. The CWIPP is accounted for as a defined contribution plan as there is insufficient information to apply defined benefit plan accounting. The Union's contributions to the CWIPP during the period amounted to \$152,864 (2021 - \$162,340), and are included in administration - benefits and statutory in the statement of revenue and expenditures.

The most recent valuation for financial reporting purposes completed by CWIPP as at January 1, 2022 disclosed net assets available for benefits of \$3,617,700 with pension obligations of \$3,043,000, resulting in a surplus of \$574,700, which is based on the going concern funded basis.

# NATIONAL UNION OF PUBLIC AND GENERAL EMPLOYEES

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2022

### 9. COMMITMENTS

#### Office Premises

The Union leases office premises under a lease which expires in June 2025. The aggregate future minimum annual lease payments by fiscal year to expiry, including an estimate of operating costs, are as follows:

2023	\$	272,104
2024		272,104
2025		136,052
		<hr/>
		\$ 680,260

#### Office Equipment

The Union also leases various office equipment under operating leases with quarterly payments ranging from \$641 to \$6,409, which expire between July 2024 and January 2026. Future minimum lease payments by fiscal year to expiry are as follows:

2023	\$	28,202
2024		17,520
2025		2,564
2026		214
		<hr/>
		\$ 48,500

#### Support

The Union has support commitments to an organization. Future annual payments by fiscal year to maturity are as follows:

2023	\$	15,000
2024		15,000
		<hr/>
		\$ 30,000

# NATIONAL UNION OF PUBLIC AND GENERAL EMPLOYEES

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2022

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### 10. FINANCIAL INSTRUMENTS

#### Risks

The Union is exposed to various risks through its financial instruments, without being exposed to concentrations of credit risks. The following analysis provides a measure of the Union's risk exposure at the statement of financial position date:

#### *Credit Risk*

While the Union is not exposed to concentrations of credit risk, the Union is subject to credit risk with respect to its accounts receivable. A significant portion of the Union's revenues and resulting receivable balances are derived from component union dues withheld from members. The Union performs ongoing component valuations of receivable balances and monitors provisions for partial losses.

#### *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 or 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.

The Union is exposed to other price risk through its investments in Guaranteed Investment Certificates, government debentures, and marketable securities.

#### *Liquidity Risk*

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The Union is exposed to this risk mainly in respect of its accounts payable and accrued liabilities, and provisions for severance pay, vacations and accrued benefit obligation. The Union manages its liquidity risk by monitoring its operating requirements through the use of budget and cash forecasts.

#### *Currency Risk*

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Consequently, some assets are exposed to foreign exchange fluctuations. As at December 31, 2022, \$7,458 (2021 - \$7,428) of cash and \$541,130 (2021 - \$543,095) of investments are held in US dollars and converted into Canadian dollars resulting in a \$39,982 foreign exchange gain in the year.

#### Credit Facility

The Union has access to unsecured credit of \$148,887 on several credit cards, bearing interest at varying rates from 19.50% to 19.99% per annum. The credit used as at December 31, 2022, amounting to \$7,104 (2021 - \$46,187), is shown as part of accounts payable and accrued liabilities.

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**NATIONAL UNION OF PUBLIC AND GENERAL EMPLOYEES****SCHEDULE OF DUES AND CLC REVENUE****YEAR ENDED DECEMBER 31, 2022**

	<b>2022</b>	<b>2021</b>
Dues revenue:		
British Columbia Government and Service Employees' Union	\$ 1,543,772	\$ 1,437,873
Canadian Union of Brewery and General Workers, Local 325	6,730	5,111
Health Sciences Association of Alberta	567,454	560,190
Health Sciences Association of British Columbia	466,649	454,336
Health Sciences Association of Saskatchewan	8,536	-
Manitoba Association of Health Care Professionals	16,968	-
Manitoba Government and General Employees' Union	416,368	386,138
Newfoundland and Labrador Association of Public and Private Employees	273,500	253,000
New Brunswick Union of Public and Private Employees	114,070	103,158
Nova Scotia Government and General Employees' Union	378,414	364,148
Ontario Public Service Employees' Union	2,622,914	2,506,566
Prince Edward Island Union of Public Sector Employees	56,529	55,240
Saskatchewan Government and General Employees' Union	307,311	320,666
Other dues	111,019	112,812
	<b>\$ 6,890,234</b>	<b>\$ 6,559,238</b>
CLC revenue:		
British Columbia Government and Service Employees' Union	\$ 484,370	\$ 465,929
Canadian Union of Brewery and General Workers, Local 325	2,844	2,399
Health Sciences Association of Alberta	217,300	261,624
Health Sciences Association of British Columbia	142,200	132,240
Health Sciences Association of Saskatchewan	3,314	-
Manitoba Association of Health Care Professionals	11,071	-
Manitoba Government and General Employees' Union	255,248	247,082
Newfoundland and Labrador Association of Public and Private Employees	260,823	241,257
New Brunswick Union of Public and Private Employees	61,592	59,253
Nova Scotia Government and General Employees' Union	278,380	257,950
Ontario Public Service Employees' Union	758,400	729,600
Prince Edward Island Union of Public Sector Employees	41,387	39,574
Saskatchewan Government and General Employees' Union	152,941	152,367
	<b>\$ 2,669,870</b>	<b>\$ 2,589,275</b>



Schedule 2

## NATIONAL UNION OF PUBLIC AND GENERAL EMPLOYEES

### SCHEDULE OF GENERAL EXPENDITURES (Page 1 of 2)

YEAR ENDED DECEMBER 31, 2022

	2022	2021
CLC expenditures		
Affiliation fees - CLC	\$ 2,669,870	\$ 2,589,275
Other affiliations		
Affiliation fees - PSI/IUF/ITF	\$ 165,008	\$ 178,163
International Union relations	15,734	-
Canadian Labour Congress Convention	189	361,478
CLC Executive and Expenditures	250	-
PSI Expenditures	12,387	-
	\$ 193,568	\$ 539,641
Conferences and net conventions		
Triennial Convention - Schedule 3	\$ 782,190	\$ -
Conferences and conventions - Schedule 3	67,843	-
	\$ 850,033	\$ -
Executive and committee meetings		
Executive	\$ 185,826	\$ 87,561
Committees, seminars & occupational	89,311	5,176
	\$ 275,137	\$ 92,737
Programs		
Communications	\$ 259,721	\$ 144,059
Public relations	7,500	16,134
Scholarships	44,678	72,739
Research	12,000	12,304
General programs	121,582	164,753
Leadership training	38,193	20,729
	\$ 483,674	\$ 430,718
Solidarity/support		
Component assistance	\$ 70,448	\$ 18,185
Canadian Centre for Policy Alternatives	30,000	30,000
Alternate Federal Budget	10,000	10,000
John Fryer Fund (previously Solidarity Justice)	112,500	68,000
Other campaigns/CLC campaign	60,368	40,387
Donations	127,324	65,135
	\$ 410,640	\$ 231,707

*Continued on page 18*

Schedule 2

## NATIONAL UNION OF PUBLIC AND GENERAL EMPLOYEES

### SCHEDULE OF GENERAL EXPENDITURES (Page 2 of 2)

YEAR ENDED DECEMBER 31, 2022

*Continued from page 17*

	2022	2021
Administration		
Salary officers and technical	\$ 1,609,853	\$ 1,488,893
Salary administration and casual	379,022	403,355
Staff training development	12,058	2,801
Benefits and statutory (Note 8)	706,723	669,144
Travel officers	90,541	16,291
Travel staff	19,626	16,065
Severance pay expense	101,666	50,562
Vacation pay expense	87,581	60,425
Employee future benefits - health & dental (actuarial adjustment) (Note 8)	(65,700)	(10,300)
Relocation - staff/officers	10,000	-
Professional fees	56,342	60,504
	\$ 3,007,712	\$ 2,757,740
Office operations		
Rent, parking and storage	\$ 118,716	\$ 280,944
Leased equipment and repair	28,869	28,729
Telephone and fax usage	16,902	15,721
Internet/online charges	10,702	10,882
Postage and courier	518	856
Stationery and office supplies	13,449	16,393
Photocopying	113	84
Library, memberships and subscriptions	17,653	10,136
General operations	50,204	27,646
Renovations - relocate	8,164	-
Investment management fees	16,053	13,492
Computer support	71,395	68,685
Video conferencing	-	1,641
Amortization of capital assets	23,522	25,630
Loss of sale of capital assets	2,078	-
Bad debt (Note 3)	-	84,000
	\$ 378,338	\$ 584,839

**NATIONAL UNION OF PUBLIC AND GENERAL EMPLOYEES****SCHEDULE OF CONFERENCES AND CONVENTIONS EXPENDITURES****YEAR ENDED DECEMBER 31, 2022**

	<b>2022</b>	<b>2021</b>
NUPGE Triennial Convention Expenditures (June 2022)		
Audio/visual/displays	\$ 261,731	\$ -
Delegate materials	69,032	-
Gifts	9,898	-
Guests	8,873	-
Photography	3,565	-
Planning	150,863	-
Social events	95,395	-
Travel	182,833	-
	<b>782,190</b>	<b>-</b>
Conferences and conventions		
Environment conference	26,652	-
Youth conference	41,191	-
	<b>67,843</b>	<b>-</b>
	<b>\$ 850,033</b>	<b>\$ -</b>





**2023**

# **FINANCIALS**

# NATIONAL UNION OF PUBLIC AND GENERAL EMPLOYEES

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DECEMBER 31, 2023

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## INDEPENDENT AUDITORS' REPORT

To the Members of National Union of Public and General Employees:

### Opinion

We have audited the financial statements of National Union of Public and General Employees (the "Union"), which comprise the statement of financial position as at December 31, 2023, and the statements of changes in net assets, revenue and expenditures, 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 Union as at December 31, 2023, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations ("ASNFP").

### 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 *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Union 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 Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with ASNFP, 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 these financial statements, management is responsible for assessing the Union's ability to continue as a going concern, disclosing, as applicable, matters related to a going concern and using the going concern basis of accounting unless management either intends to liquidate the Union or to cease operations, or has no realistic alternative to do so.

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

### Auditors' 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 auditors' 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.





## INDEPENDENT AUDITORS' REPORT (continued)

### Auditors' Responsibilities for the Audit of the Financial Statements (continued)

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 Union'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 Union's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Union 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 the audit.

Chartered Professional Accountants  
Licensed Public Accountants

Ottawa, Canada  
March 26, 2024

# NATIONAL UNION OF PUBLIC AND GENERAL EMPLOYEES

## STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2023

	2023	2022
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash	\$ 7,196,479	\$ 4,475,403
Short term investments (Note 2)	2,314,199	1,534,513
Accounts receivable (Note 3)	1,126,638	1,066,865
Prepaid expenditures and advances	212,775	215,483
	10,850,091	7,292,264
<b>INVESTMENTS</b> (Note 2)	4,233,080	4,698,400
<b>CAPITAL ASSETS</b> (Note 4)	126,680	68,639
	\$ 15,209,851	\$ 12,059,303
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued liabilities (Notes 5 and 9)	\$ 832,077	\$ 788,846
Severance payable (Note 6)	276,781	-
Provision for vacations	302,957	423,345
	1,411,815	1,212,191
<b>ACCRUED BENEFIT OBLIGATION</b> (Note 6)	548,900	491,400
<b>PROVISION FOR SEVERANCE PAY</b> (Note 6)	484,083	693,308
	2,444,798	2,396,899
<b>NET ASSETS</b>		
Invested in capital assets	126,680	68,639
Internally restricted for contingencies (Note 7)	1,450,000	1,450,000
Internally restricted for defence fund (Note 7)	1,000,000	1,000,000
Internally restricted for John Fryer fund (Note 7)	73,612	73,612
Unrestricted	10,114,761	7,070,153
	12,765,053	9,662,404
	\$ 15,209,851	\$ 12,059,303

Commitments (Note 8)  
Financial instruments (Note 9)

ON BEHALF OF THE BOARD:



\_\_\_\_\_, President



\_\_\_\_\_, Secretary-Treasurer

# NATIONAL UNION OF PUBLIC AND GENERAL EMPLOYEES

## STATEMENT OF CHANGES IN NET ASSETS

YEAR ENDED DECEMBER 31, 2023

	2023					2022	
	Invested in Capital Assets	Contingencies	Defence	Internally Restricted for	John Fryer	Unrestricted	Total
<b>BALANCES AT BEGINNING OF YEAR</b>	\$ 68,639	\$ 1,450,000	\$ 1,000,000	\$ 73,612	\$ 7,070,153	\$ 9,662,404	\$ 8,219,754
Excess of revenue over expenditures	-	-	-	-	3,102,649	3,102,649	1,442,650
Disposal of capital assets	(1,120)	-	-	-	1,120	-	-
Acquisition of capital assets	77,574	-	-	-	(77,574)	-	-
Amortization of capital assets	(18,413)	-	-	-	18,413	-	-
<b>BALANCES AT END OF YEAR</b>	\$ 126,680	\$ 1,450,000	\$ 1,000,000	\$ 73,612	\$10,114,761	\$12,765,053	\$ 9,662,404

# NATIONAL UNION OF PUBLIC AND GENERAL EMPLOYEES

## STATEMENT OF REVENUE AND EXPENDITURES

YEAR ENDED DECEMBER 31, 2023

	2023	2022
<b>REVENUE</b>		
Components		
Dues revenue - Schedule 1	\$ 7,728,583	\$ 6,890,234
Canadian Labour Congress ("CLC") revenue - Schedule 1	2,722,854	2,669,870
	10,451,437	9,560,104
Investment income		
Interest	396,465	92,406
Dividends	11,053	16,951
(Loss) gain on sale of investments	(51,864)	45,348
Unrealized gain (loss) on investments	410,518	(301,761)
	766,172	(147,056)
Other income	295,322	298,574
	11,512,931	9,711,622
<b>GENERAL EXPENDITURES - Schedules 2 &amp; 3</b>		
CLC expenditures	2,722,854	2,669,870
Other affiliations	434,375	193,568
Conferences and net conventions	160,010	850,033
Executive and committee meetings	438,093	275,137
Programs	686,836	483,674
Solidarity/support	329,169	410,640
Administration	3,252,554	3,007,712
Office operations	386,391	378,338
	8,410,282	8,268,972
<b>EXCESS OF REVENUE OVER EXPENDITURES</b>	<b>\$ 3,102,649</b>	<b>\$ 1,442,650</b>

# NATIONAL UNION OF PUBLIC AND GENERAL EMPLOYEES

## STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2023

	2023	2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Excess of revenue over expenditures	\$ 3,102,649	\$ 1,442,650
Items not involving cash:		
Amortization of capital assets	18,413	23,523
Provision for accrued benefit obligation	49,900	46,200
Provision for actuarial loss (gain)	39,700	(82,400)
Unrealized (gain) loss on sale of investments	(410,518)	301,761
Loss on disposal of capital assets	1,120	2,077
	2,801,264	1,733,811
Changes in non-cash operating working capital:		
Accounts receivable	(59,773)	(452,370)
Prepaid expenditures and advances	2,708	(45,522)
Accounts payable and accrued liabilities	43,234	24,359
Severance payable	276,781	-
Payment of accrued benefit obligation	(32,100)	(29,500)
Provision for severance payable	(209,225)	84,146
Provision for vacations	(120,388)	7,152
	2,702,501	1,322,076
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of capital assets	(77,574)	(5,626)
Purchases of investments	(2,368,669)	(1,534,512)
Proceeds from redemption of investments	2,464,818	(2,099,732)
	18,575	(3,639,870)
<b>INCREASE (DECREASE) IN CASH</b>	2,721,076	(2,317,794)
Cash at beginning of year	4,475,403	6,793,197
<b>CASH AT END OF YEAR</b>	\$ 7,196,479	\$ 4,475,403

# NATIONAL UNION OF PUBLIC AND GENERAL EMPLOYEES

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

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### GENERAL

The National Union of Public and General Employees (the "Union") primary objective is the formation of a strong, unified organization representing workers of provincial governments and other employers across Canada. The Union provides aid and assistance to its members in the areas of social, economic and legislative concern.

The Union is a labour organization and, as such, is exempt from income taxes.

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNFP") and include the following significant accounting policies:

#### Revenue Recognition

The Union follows the deferral method of accounting for revenue. Unrestricted revenue is recognized when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Restricted revenue is recognized in the year in which the related expenses are incurred.

Dues and Canadian Labour Congress ("CLC") revenue are recognized in the month in which members' deductions occur.

Investment income includes interest and dividends earned on investments held, as well as realized and unrealized gains and losses, when applicable. Amounts are recognized as revenue in the period earned.

Other revenues consist of dues for constituent members and income from negotiating group buying opportunities for members which are recognized when the amount to be received can be reasonably estimated and collection is reasonably assured.

#### Cash and Cash Equivalents

The Union's policy is to present bank balances and term deposits with a maturity period of three months or less from the date of acquisition under cash and cash equivalents.

#### Capital assets

Capital assets are recorded at cost. Amortization is provided using the following annual rates and bases:

Computer equipment	33 1/3%	declining balance
Furniture and equipment	10%	declining balance
Leasehold improvements	3 and 5 years	straight-line

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# NATIONAL UNION OF PUBLIC AND GENERAL EMPLOYEES

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Use of Estimates

These financial statements have been prepared by management in accordance with ASNFPO and accordingly, require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenditures during the reporting period. Actual results could differ from these estimates. The significant estimates in the financial statements include the collectibility of receivables, estimated useful lives of capital assets, the amount of certain accrued receivables and liabilities, provisions for vacations and severance pay and the accrued benefit obligation.

#### Financial Instruments

##### *Measurement of financial instruments*

The Union initially measures its financial assets and liabilities at fair value.

The Union subsequently measures all its financial assets and financial liabilities at amortized cost except investments in equity instruments that are quoted in an active market which are measured at fair value. Changes in fair value are recognized in the statement of revenue and expenditures.

Financial assets measured at amortized cost include cash, investments in guaranteed investment certificates and accounts receivable.

Financial assets measured at fair value include investments in government debentures, mutual funds, and publicly traded equity securities.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities, provisions for vacations, accrued benefit obligations, and severance pay.

##### *Impairment*

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in the statement of revenue and expenditures. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in the statement of revenue and expenditures. The accounts receivable balance is net of an allowance for doubtful accounts of \$Nil (2022 - \$Nil).

##### *Transaction Costs*

Transaction costs are comprised primarily of legal, accounting, underwriters' fees and other costs directly attributable to the acquisition, issuance or disposal of financial assets or financial liabilities.

# NATIONAL UNION OF PUBLIC AND GENERAL EMPLOYEES

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Financial Instruments (continued)

##### *Transaction Costs (continued)*

Transaction costs related to financial assets or financial liabilities that are measured at amortized cost are netted against the carrying value of the financial asset or liability.

#### Employee Future Benefits

ASNFPPO requires an accounting for employee future benefits. The Union provides various future benefits to its employees subsequent to retirement.

##### *Defined Benefit Retirement Health and Dental Plan (the "Benefit Plan")*

The Benefit Plan provides for ten years of health benefits coverage to employees who retire after ten years of service, have reached fifty years of age and are no longer employed on a full-time basis.

The Union accrues its obligations for the Benefit Plan as the employees render the services necessary to earn benefits. The cost of non-pension post-retirement benefits earned by employees is actuarially determined using the projected benefit method. The discount rate used in the valuation is in accordance with the CPA Canada Handbook and the actuarial assumptions are management's best estimate assumptions. The most recent actuarial valuation was performed as at December 31, 2023. The next scheduled valuation will be as at December 31, 2026.

##### *Severance Pay*

Employees leaving the Union are entitled to a severance payment based on their term of service. The Union has accrued the amount that would have been payable for severance pay had all employees been terminated at year end.

##### *Multi-Employer Pension Plan*

The Union participates in the Canada-Wide Industrial Pension Plan (the "CWIPP"), a multi-employer plan providing pension benefits to all of its employees. Regular defined contributions are made by the Union to the plan trustee on behalf of each employee. The costs of providing the benefits under the multi-employer pension plan are recorded as an expenditure in the period the contributions become payable.

#### Foreign Currency Transactions

The Union uses the temporal method to translate its foreign currency transactions.

Monetary assets and liabilities, if any, are translated at the rate of exchange in effect at year end. Other assets and liabilities are translated at their historic rates. Items appearing in the statement of revenue and expenditures are translated at average annual rates. Exchange gains and losses are included in the statement of revenue and expenditures.



# NATIONAL UNION OF PUBLIC AND GENERAL EMPLOYEES

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

### 2. INVESTMENTS

Investments consist of:

	2023	2022
Short term		
Guaranteed investment certificates earning interest at annual rates of 5.24%, with maturity dates of July 2024.	\$ 2,126,272	\$ 1,518,395
Accrued interest	104,800	16,117
	\$ 2,314,199	\$ 1,534,512
Long term		
Guaranteed investment certificates earning interest at an annual rate of 4.25% and 6.26%, with maturity dates of July and November 2025.	\$ 2,132,230	\$ 2,737,524
Government debentures earning interest at varying annual rates from 0.25% to 1.10% (2022 - 0.25% to 1.10%), with maturity dates between September 2025 and March 2031 (2022 - April 2024 and March 2031).	324,691	375,968
Publicly traded equity securities	1,268,818	1,287,431
Mutual funds	470,854	250,056
Foreign securities	10,315	15,266
Accrued interest	26,172	32,155
	\$ 4,233,080	\$ 4,698,400

Part of the investments are internally restricted for post retirement benefits, severance costs, and the contingencies, convention, and John Fryer (previously social justice) funds.

# NATIONAL UNION OF PUBLIC AND GENERAL EMPLOYEES

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

### 3. ACCOUNTS RECEIVABLE

	2023	2022
Components - Dues and CLC per capita	\$ 1,026,964	\$ 964,439
Other	99,674	102,426
	\$ 1,126,638	\$ 1,066,865

### 4. CAPITAL ASSETS

	2023			2022	
	Cost	Accumulated Amortization	Net	Net	
Computer equipment	\$ 166,433	\$ 148,137	\$ 18,296	\$ 25,335	
Furniture and equipment	323,521	292,303	31,218	33,285	
Leasehold improvements	131,879	54,713	77,166	10,019	
	\$ 621,833	\$ 495,153	\$ 126,680	\$ 68,639	

### 5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2023	2022
Trade payables and accrued liabilities	\$ 803,587	\$ 754,299
Government remittances	28,490	34,547
	\$ 832,077	\$ 788,846

# NATIONAL UNION OF PUBLIC AND GENERAL EMPLOYEES

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

### 6. EMPLOYEE FUTURE BENEFITS

#### Defined Benefit Retirement Health and Dental Plan

The Union offers the Benefit Plan which provides extended health care and dental insurance benefits to certain of its employees and extends this coverage to the post-retirement period, as described in Note 1.

The Union's liability associated with the Benefit Plan is as follows:

	2023	2022
Accrued benefit obligation - beginning of year	\$ 491,400	\$ 557,100
Current service cost	24,900	30,700
Interest cost on accrued benefit obligation during the year	25,000	15,500
Benefit payments made by the Union during the year	(32,100)	(29,500)
Actuarial loss (gain)	39,700	(82,400)
Accrued benefit obligation - end of year	\$ 548,900	\$ 491,400

The Union's defined benefit plan is not funded, resulting in a plan deficit equal to the accrued benefit obligation.

The significant actuarial assumptions adopted in estimating the Union's accrued benefit obligations are as follows:

	2023	2022
Discount rate to determine accrued benefit obligation	4.6%	5.0%
Dental cost increases	7.0%	8.0%
Extended healthcare cost escalations	7.0%	7.0%
Expected average remaining service life of employees	15 years	15 years

#### Severance Payable

Certain employees are entitled to severance pay upon termination of their employment as set out in their collective agreements or individual contracts of employment with the Union. The Union has accrued this liability based on employee entitlements under its collective agreement. An actuarial valuation has not been performed on this liability, however, related annual costs are calculated based on each employee's current rate of pay applied to the annual additional severance earned.

# NATIONAL UNION OF PUBLIC AND GENERAL EMPLOYEES

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

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### 6. EMPLOYEE FUTURE BENEFITS (continued)

#### Multi-Employer Pension Plan

All permanent employees of the Union are members of the CWIPP which is a multi-employer, target benefit, average earnings over lifetime of contributions, contributory pension plan. The CWIPP is accounted for as a defined contribution plan as there is insufficient information to apply defined benefit plan accounting. The Union's contributions to the CWIPP during the period amounted to \$159,112 (2022 - \$152,864), and are included in administration - benefits and statutory in the statement of revenue and expenditures.

The most recent valuation for financial reporting purposes completed by CWIPP as at January 1, 2023 disclosed net assets available for benefits of \$4,007,800 with pension obligations of \$3,293,100, resulting in a surplus of \$714,700, which is based on the going concern funded basis.

### 7. INTERNAL RESTRICTIONS

All internally restricted amounts are not available for other purposes without the approval of the finance committee, which reports to the Union's National Executive Board ("NEB").

### 8. COMMITMENTS

#### Office Premises

The Union leases office premises under a lease which expires in June 2026. The aggregate future minimum annual lease payments by fiscal year to expiry, including an estimate of operating costs, are as follows:

2024	\$	272,104
2025		272,104
2026		136,052
		<hr/>
		\$ 680,260

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# NATIONAL UNION OF PUBLIC AND GENERAL EMPLOYEES

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

### 8. COMMITMENTS (continued)

#### Office Equipment

The Union also leases various office equipment under operating leases with quarterly payments ranging from \$641 to \$6,409, which expire between July 2024 and January 2026. Future minimum lease payments by fiscal year to expiry are as follows:

2024	\$	17,520
2025		2,564
2026		214
		<hr/>
		\$ 20,298

### 9. FINANCIAL INSTRUMENTS

#### Risks

The Union is exposed to various risks through its financial instruments, without being exposed to concentrations of credit risks. The following analysis provides a measure of the Union's risk exposure at the statement of financial position date:

#### *Credit Risk*

While the Union is not exposed to concentrations of credit risk, the Union is subject to credit risk with respect to its accounts receivable. A significant portion of the Union's revenues and resulting receivable balances are derived from component union dues withheld from members. The Union performs ongoing component valuations of receivable balances and monitors provisions for partial losses.

#### *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 or 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.

The Union is exposed to other price risk through its investments in guaranteed investment certificates, government debentures, and marketable securities.

# NATIONAL UNION OF PUBLIC AND GENERAL EMPLOYEES

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2023

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### 9. FINANCIAL INSTRUMENTS (continued)

#### *Liquidity Risk*

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The Union is exposed to this risk mainly in respect of its accounts payable and accrued liabilities, provisions for severance pay, and vacations and accrued benefit obligation. The Union manages its liquidity risk by monitoring its operating requirements through the use of budget and cash forecasts.

#### *Currency Risk*

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Consequently, some assets are exposed to foreign exchange fluctuations. As at December 31, 2023, \$6,467 (2022 - \$7,458) of cash and \$525,006 (2022 - \$541,130) of investments are held in US dollars and converted into Canadian dollars resulting in a \$14,021 foreign exchange loss in the year.

#### Credit Facility

The Union has access to unsecured credit of \$113,887 on several credit cards, bearing interest at varying rates from 19.50% to 19.99% per annum. The credit used as at December 31, 2023, amounting to \$9,402 (2022 - \$7,104), is shown as part of accounts payable and accrued liabilities.

**NATIONAL UNION OF PUBLIC AND GENERAL EMPLOYEES****SCHEDULE OF DUES AND CLC REVENUE****YEAR ENDED DECEMBER 31, 2023**

	2023	2022
Dues revenue:		
British Columbia Government and Service Employees' Union	\$ 1,798,676	\$ 1,543,772
Canadian Union of Brewery and General Workers, Local 325	7,104	6,730
Health Sciences Association of Alberta	576,710	567,454
Health Sciences Association of British Columbia	546,241	466,649
Health Sciences Association of Saskatchewan	117,600	8,536
Manitoba Association of Health Care Professionals	117,421	16,968
Manitoba Government and General Employees' Union	421,717	416,368
Newfoundland and Labrador Association of Public and Private Employees	289,000	273,500
New Brunswick Union of Public and Private Employees	122,720	114,070
Nova Scotia Government and General Employees' Union	417,916	378,414
Ontario Public Service Employees' Union	2,841,028	2,622,914
Prince Edward Island Union of Public Sector Employees	57,989	56,529
Saskatchewan Government and General Employees' Union	327,814	307,311
Other dues	86,647	111,019
	<b>\$ 7,728,583</b>	<b>\$ 6,890,234</b>
CLC revenue:		
British Columbia Government and Service Employees' Union	\$ 502,751	\$ 484,370
Canadian Union of Brewery and General Workers, Local 325	2,916	2,844
Health Sciences Association of Alberta	93,692	217,300
Health Sciences Association of British Columbia	150,660	142,200
Health Sciences Association of Saskatchewan	40,988	3,314
Manitoba Association of Health Care Professionals	68,080	11,071
Manitoba Government and General Employees' Union	265,716	255,248
Newfoundland and Labrador Association of Public and Private Employees	262,322	260,823
New Brunswick Union of Public and Private Employees	63,151	61,592
Nova Scotia Government and General Employees' Union	290,531	278,380
Ontario Public Service Employees' Union	777,600	758,400
Prince Edward Island Union of Public Sector Employees	44,024	41,387
Saskatchewan Government and General Employees' Union	160,423	152,941
	<b>\$ 2,722,854</b>	<b>\$ 2,669,870</b>

# NATIONAL UNION OF PUBLIC AND GENERAL EMPLOYEES

## SCHEDULE OF GENERAL EXPENDITURES

(Page 1 of 2)

YEAR ENDED DECEMBER 31, 2023

	2023	2022
CLC expenditures		
Affiliation fees - CLC	\$ 2,722,854	\$ 2,669,870
Other affiliations		
Affiliation fees - PSI/IUF/ITF	\$ 260,299	\$ 165,008
International Union relations	-	15,734
Canadian Labour Congress Convention	92,964	189
CLC Executive and Expenditures	43	250
PSI Expenditures	81,069	12,387
	\$ 434,375	\$ 193,568
Conferences and net conventions		
Triennial Convention - Schedule 3	\$ -	\$ 782,190
Conferences and conventions - Schedule 3	160,010	67,843
	\$ 160,010	\$ 850,033
Executive and committee meetings		
Executive	\$ 190,198	\$ 185,826
Committees, seminars & occupational	247,895	89,311
	\$ 438,093	\$ 275,137
Programs		
Communications	\$ 121,754	\$ 259,721
Public relations	68,967	7,500
Scholarships	83,933	44,678
Research	32,000	12,000
General programs	175,640	121,582
Leadership training	54,542	38,193
Special projects	150,000	-
	\$ 686,836	\$ 483,674
Solidarity/support		
Component assistance	\$ 23,975	\$ 70,448
Canadian Centre for Policy Alternatives	30,000	30,000
Alternate Federal Budget	10,000	10,000
John Fryer Fund (previously Solidarity Justice)	90,000	112,500
Other campaigns/CLC campaign	34,124	60,368
Donations	141,070	127,324
	\$ 329,169	\$ 410,640



Schedule 2

## NATIONAL UNION OF PUBLIC AND GENERAL EMPLOYEES

### SCHEDULE OF GENERAL EXPENDITURES (Page 2 of 2)

YEAR ENDED DECEMBER 31, 2023

*Continued from page 17*

	2023	2022
Administration		
Salary officers and technical	\$ 1,688,921	\$ 1,609,853
Salary administration and casual	359,552	379,022
Staff training development	46,818	12,058
Benefits and statutory (Note 6)	807,765	706,723
Travel officers	88,158	90,541
Travel staff	29,699	19,626
Severance pay expense	67,559	101,666
Vacation pay expense	56,847	87,581
Employee future benefits - health & dental (actuarial adjustment) (Note 6)	57,500	(65,700)
Relocation - staff/officers	-	10,000
Professional fees	49,735	56,342
	\$ 3,252,554	\$ 3,007,712
Office operations		
Rent, parking and storage	\$ 119,048	\$ 118,716
Leased equipment and repair	28,552	28,869
Telephone and fax usage	19,706	16,902
Internet/online charges	10,848	10,702
Postage and courier	1,182	518
Stationery and office supplies	16,299	13,449
Photocopying	32	113
Library, memberships and subscriptions	23,457	17,653
General operations	66,805	50,204
Renovations - relocate	1,175	8,164
Investment management fees	15,707	16,053
Computer support	64,047	71,395
Amortization of capital assets	18,413	23,523
Loss of sale of capital assets	1,120	2,077
	\$ 386,391	\$ 378,338

# NATIONAL UNION OF PUBLIC AND GENERAL EMPLOYEES

## SCHEDULE OF CONFERENCES AND CONVENTIONS EXPENDITURES

YEAR ENDED DECEMBER 31, 2023

	2023	2022
NUPGE Triennial Convention Expenditures (June 2022)		
Audio/visual/displays	\$ -	\$ 261,731
Delegate materials	-	69,032
Gifts	-	9,898
Guests	-	8,873
Photography	-	3,565
Planning	-	150,863
Social events	-	95,395
Travel	-	182,833
	-	782,190
Conferences and conventions		
Anti-Racism conference	85,531	-
Environment conference	-	26,652
Womens conference	74,479	-
Youth conference	-	41,191
	160,010	67,843
	\$ 160,010	\$ 850,033





**2024**

# **FINANCIALS**

**National Union of Public and General Employees**  
**Financial Statements**  
For the year ended December 31, 2024

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## **Independent Auditor's Report**

### **To the Members of National Union of Public and General Employees**

#### *Opinion*

We have audited the financial statements of National Union of Public and General Employees, which comprise the statement of financial position as at December 31, 2024, and the statements of changes in net assets, revenue and expenditures 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 union as at December 31, 2024, 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 union 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.

#### *Other Matter*

The financial statements of National Union of Public and General Employees for the year ended December 31, 2023 were audited by another auditor who expressed an unmodified opinion on those statements on March 26, 2024.

#### *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 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 union'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 union or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the union'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 union'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 union'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 union 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.

*Baker Tilly Ottawa LLP*

Chartered Professional Accountants, Licensed Public Accountants  
April 17, 2025  
Ottawa, Ontario

# National Union of Public and General Employees Statement of Financial Position

**December 31** **2024** **2023**

## Assets

### Current

Cash (Note 2)	\$ 9,529,627	\$ 7,196,479
Short term investment (Note 4)	4,671,512	2,314,199
Accounts receivable (Note 3)	1,347,450	1,126,638
Prepaid expenditures and advances	245,534	212,775
	<b>15,794,123</b>	<b>10,850,091</b>
<b>Investments (Note 4)</b>	<b>2,292,596</b>	<b>4,233,080</b>
<b>Tangible capital assets (Note 5)</b>	<b>247,260</b>	<b>126,680</b>
	<b>\$ 18,333,979</b>	<b>\$ 15,209,851</b>

## Liabilities and Net Assets

### Current

Accounts payable and accrued liabilities (Note 6)	\$ 732,907	\$ 832,077
Severance payable (Note 7)	-	276,781
Provision for vacations	347,048	302,957
	<b>1,079,955</b>	<b>1,411,815</b>
<b>Accrued benefit obligation (Note 7)</b>	<b>567,700</b>	<b>548,900</b>
<b>Provision for severance pay (Note 7)</b>	<b>491,041</b>	<b>484,083</b>
	<b>2,138,696</b>	<b>2,444,798</b>

### Net assets

Unrestricted	13,424,411	10,114,761
Invested in capital assets	247,260	126,680
Internally restricted for contingencies (Note 8)	1,450,000	1,450,000
Internally restricted for defence (Note 8)	1,000,000	1,000,000
Internally restricted for John Fryer fund (Note 8)	73,612	73,612
	<b>16,195,283</b>	<b>12,765,053</b>
	<b>\$ 18,333,979</b>	<b>\$ 15,209,851</b>

Approved on behalf of the board:

 Member
  Member



## National Union of Public and General Employees Statement of Changes in Net Assets

**For the year ended December 31**

	Unrestricted	Invested in Capital Assets	Restricted for Contingencies	Internally Restricted for Defence	Internally Restricted for John Fryer	Total 2024	Total 2023
<b>Balance, beginning of year</b>	\$ 10,114,761	\$ 126,680	\$ 1,450,000	\$ 1,000,000	\$ 73,612	\$ 12,765,053	\$ 9,662,404
Excess of revenues over expenditures for the year	3,430,230	-	-	-	-	3,430,230	3,102,649
Loss on disposal of tangible capital assets	1,513	(1,513)	-	-	-	-	-
Acquisition of tangible capital assets	(212,048)	212,048	-	-	-	-	-
Amortization of tangible capital assets	89,955	(89,955)	-	-	-	-	-
<b>Balance, end of year</b>	\$ 13,424,411	\$ 247,260	\$ 1,450,000	\$ 1,000,000	\$ 73,612	\$ 16,195,283	\$ 12,765,053

The accompanying notes are an integral part of these financial statements.

# National Union of Public and General Employees

## Statement of Revenue and Expenditures

For the year ended December 31	2024	2023
<b>Revenues</b>		
<b>Components</b>		
Dues revenue (Schedule 1)	\$ 8,514,794	\$ 7,728,583
Canadian Labour Congress ("CLC") revenue (Schedule 1)	2,966,879	2,722,854
	<u>11,481,673</u>	<u>10,451,437</u>
 <b>Investment income</b>		
Interest income	582,611	396,465
Dividend income	10,870	11,053
Gain (loss) on sale of investments	116,573	(51,864)
Unrealized gain on investments	135,396	410,518
	<u>845,450</u>	<u>766,172</u>
 <b>Other income</b>	<u>252,565</u>	<u>295,322</u>
	<u>12,579,688</u>	<u>11,512,931</u>
 <b>General Expenditures (Schedules 2 &amp; 3)</b>		
Administration	3,549,678	3,252,554
CLC expenditures	2,966,879	2,722,854
Conferences and net conventions	24,106	160,010
Executive and committee meetings	445,060	438,093
Office operations	644,544	386,391
Other affiliations	355,642	434,375
Programs	986,009	686,836
Solidarity/support	177,540	329,169
	<u>9,149,458</u>	<u>8,410,282</u>
 <b>Excess of revenues over expenditures for the year</b>	<u>\$ 3,430,230</u>	<u>\$ 3,102,649</u>

## National Union of Public and General Employees Statement of Cash Flows

For the year ended December 31	2024	2023
<b>Cash flows from (used in) operating activities</b>		
Excess of revenues over expenditures for the year	\$ 3,430,230	\$ 3,102,649
Adjustments for non-cash items		
Amortization of capital assets	89,955	18,413
Provision for accrued benefit obligation	47,000	49,900
Provision for actuarial loss	7,900	39,700
Unrealized gain on investments	(135,396)	(410,518)
Loss on disposal of capital assets	1,513	1,120
	<u>3,441,202</u>	<u>2,801,264</u>
Change in non-cash working capital items		
Accounts receivable	(220,812)	(59,773)
Prepaid expenditures and advances	(32,759)	2,708
Accounts payable and accrued liabilities	(99,170)	43,234
Severance payable	(276,781)	276,781
Provision for vacations	44,091	(120,388)
Payment of accrued benefit obligation	(36,100)	(32,100)
Provision for severance payable	6,958	(209,225)
	<u>2,826,629</u>	<u>2,702,501</u>
<b>Cash flows from (used in) investing activities</b>		
Purchases and income accruals on investments	(3,270,457)	(2,368,669)
Proceeds on redemption of investments	2,989,024	2,464,818
Acquisition of tangible capital assets	(212,048)	(77,574)
	<u>(493,481)</u>	<u>18,575</u>
<b>Increase in cash during the year</b>	<b>2,333,148</b>	<b>2,721,076</b>
<b>Cash, beginning of year</b>	<b>7,196,479</b>	<b>4,475,403</b>
<b>Cash, end of year</b>	<b>\$ 9,529,627</b>	<b>\$ 7,196,479</b>

The accompanying notes are an integral part of these financial statements.

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# National Union of Public and General Employees

## Notes to the Financial Statements

December 31, 2024

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### 1. Significant Accounting Policies

#### Nature of Operations

The National Union of Public and General Employees (the "Union") primary objective is the formation of a strong, unified organization representing workers of provincial governments and other employers across Canada. The Union provides aid and assistance to its members in the areas of social, economic and legislative concern.

The Union is a labour organization and, as such, is exempt from income taxes.

#### Basis of Presentation

The financial statements were prepared in accordance with Canadian Accounting Standards for Not-for-Profit Organizations which are part of Canadian generally accepted accounting principles.

#### Use of Estimates

The preparation of financial statements in accordance with Canadian Accounting Standards for Not-for-Profit Organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates and assumptions as additional information becomes available in the future. These estimates are reviewed periodically and adjustments are made to income as appropriate in the year they become known.

Significant estimates include assumptions used in estimating the collectability receivables, useful lives and amortization rates of capital assets, the amount of certain accrued receivables and liabilities, provisions for vacations and severance pay, and the accrued benefit obligation.

#### Financial Instruments

Financial instruments are financial assets or liabilities of the Union where, in general, the Union has the right to receive cash or another financial asset from another party or the Union has the obligation to pay another party cash or other financial assets.

#### Measurement of arm's length financial instruments

The Union initially measures its arm's length financial assets and liabilities at fair value. The Union subsequently measures arm's length financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in the statement of revenue and expenditures.

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## National Union of Public and General Employees Notes to the Financial Statements

December 31, 2024

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1. Significant Accounting Policies (continued)

**Financial Instruments  
(continued)**

Measurement of arm's length financial instruments (continued)

Arm's length financial assets and financial liabilities measured at amortized cost include cash, investments in guaranteed investment certificates, accounts receivable, accounts payable and accrued liabilities, and provisions for vacation. Arm's length financial assets measured at fair value include investments in traded equity and security holdings.

Impairment

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down, if any, is recognized in the statement of revenue and expenditures. The previously recognized impairment loss may be reversed, to the extent of the improvement, directly or by adjusting the allowance account. The reversal may be recorded provided it is no greater than the amount that had been previously reported as a reduction in the asset and it does not exceed original cost. The amount of the reversal is recognized in the statement of revenue and expenditures.

Transaction costs

The Union recognizes its transaction costs in the statement of revenue and expenditures in the period incurred. However, financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption.

**Cash and Cash  
Equivalents**

The Union's policy is to present bank balances and term deposits with a maturity period of three months or less from the date of acquisition as cash and cash equivalents.

**Tangible Capital Assets**

Tangible capital assets are recorded at cost. The Union provides for amortization using the following methods at rates designed to amortize the cost of the tangible capital assets over their estimated useful lives. The annual amortization rates and methods are as follows:

Computer equipment	Declining balance	33.33%
Furniture and equipment	Declining balance	10%

Amortization of leasehold improvements is recorded on a straight-line basis over the remaining term of the lease.

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# National Union of Public and General Employees

## Notes to the Financial Statements

December 31, 2024

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### 1. Significant Accounting Policies (continued)

#### Employee Future Benefits

The Union provides various future benefits to its employees subsequent to retirement.

##### Defined Benefit Retirement Health and Dental Plan (the "Benefit Plan")

The Benefit Plan provides for ten years of health benefits coverage to employees who retire after ten years of service, have reached fifty years of age and are no longer employed on a full-time basis.

The Union accrues its obligations for the Benefit Plan as the employees render the services necessary to earn benefits. The cost of non-pension post-retirement benefits earned by employees is actuarially determined using the projected benefit method. The discount rate used in the valuation is in accordance with the CPA Canada Handbook and the actuarial assumptions are management's best estimate assumptions. The most recent actuarial valuation was performed as at December 31, 2023. The next scheduled valuation will be as at December 31, 2026.

##### Severance Pay

Employees leaving the Union are entitled to a severance payment based on their term of service. The Union has accrued the amount that would have been payable for severance pay had all employees been terminated at year end.

##### Multi-Employer Pension Plan

The Union participates in the Canada-Wide Industrial Pension Plan (the "CWIPP"), a multi-employer plan providing pension benefits to all of its employees. Regular defined contributions are made by the Union to the plan trustee on behalf of each employee. The costs of providing the benefits under the multi-employer pension plan are recorded as an expenditure in the period the contributions become payable.

#### Revenue Recognition

The Union follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. The Union does not have any contributions.

Dues and Canadian Labour Congress ("CLC") revenue are recognized in the month in which members' deductions occur.

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## National Union of Public and General Employees Notes to the Financial Statements

**December 31, 2024**

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**1. Significant Accounting Policies (continued)**

**Revenue Recognition  
(continued)**

Investment income includes interest and dividends earned on investments held, as well as realized and unrealized gains and losses, when applicable. Amounts are recognized as revenue in the period earned.

Other revenues are recognized when the amount to be received can be reasonably estimated and collection is reasonably assured.

**Foreign Currency  
Transactions**

Monetary assets and liabilities of the Union which are denominated in foreign currencies are translated at year end exchange rates. Other assets and liabilities are translated at rates in effect at the date the assets were acquired and liabilities incurred. Revenue and expenses are translated at average annual rates. The resulting gains or losses are included in the statement of revenue and expenditures.

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**2. Cash**

The Union's bank and investment accounts are held at Royal Bank of Canada and Your Credit Union. Included in cash is \$6,734 USD (2023 - \$4,890 USD) denominated in U.S. dollars.

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**3. Accounts Receivable**

	<u>2024</u>	<u>2023</u>
Components - Dues and CLC per capita	\$ 986,173	\$ 1,026,964
Other	361,277	99,674
	<u>\$ 1,347,450</u>	<u>\$ 1,126,638</u>

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## National Union of Public and General Employees Notes to the Financial Statements

**December 31, 2024**

### 4. Investments

Investments consist of:

	2024	2023
Guaranteed investment certificates	\$ 3,000,069	\$ 2,215,357
Accrued interest	51,564	130,972
Government debentures	862,991	324,691
Publicly traded equity securities	1,246,316	1,268,818
Mutual funds	346,559	470,854
Foreign securities	9,638	10,315
Bonds	1,446,971	2,126,272
	6,964,108	6,547,279
Less: Short-term portion	(4,671,512)	(2,314,199)
	<b>\$ 2,292,596</b>	<b>\$ 4,233,080</b>

Guaranteed investment certificates earn interest at varying annual rates from 4.80% to 4.85% (2023 - 4.25% to 6.26%), with maturity dates between June 2025 and November 2025 (2023 - July 2024 and November 2025).

Government debentures earn interest at varying annual rates from 0.25% to 1.10% (2023 - 0.25% to 1.10%), with maturity dates between September 2025 and March 2031 (2023 - September 2025 and March 2031).

Part of the investments are internally restricted for post retirement benefits, severance costs, and the contingencies, convention, and John Fryer (previously social justice) funds.

Included in investments is an amount of \$477,953 USD (2023 - \$396,950 USD) denominated in U.S. dollars, which consists of publicly traded equity securities.

### 5. Tangible Capital Assets

	2024		
	Cost	Accumulated Amortization	Net Book Value
Computer equipment	\$ 200,848	\$ 162,100	\$ 38,748
Furniture and equipment	492,814	311,835	180,979
Leasehold improvements	132,777	105,244	27,533
	<b>\$ 826,439</b>	<b>\$ 579,179</b>	<b>\$ 247,260</b>



# National Union of Public and General Employees

## Notes to the Financial Statements

**December 31, 2024**

### 5. Tangible Capital Assets (continued)

	2023		
	Cost	Accumulated Amortization	Net Book Value
Computer equipment	\$ 166,433	\$ 148,137	\$ 18,296
Furniture and equipment	323,521	292,303	31,218
Leasehold improvements	131,879	54,713	77,166
	<b>\$ 621,833</b>	<b>\$ 495,153</b>	<b>\$ 126,680</b>

### 6. Accounts Payable and Accrued Liabilities

	2024	2023
Trade payables and accrued liabilities	<b>\$ 701,929</b>	\$ 803,587
Government remittances	<b>30,978</b>	28,490
	<b>\$ 732,907</b>	<b>\$ 832,077</b>

The Union has access to unsecured credit of \$67,887 on its Diners Club credit card, bearing interest at 2.75% per month and \$52,000 on several credit cards with RBC, bearing interest at 19.99% per annum. Of the total available credit, \$15,951 (2023 - \$9,402) has been utilized at year-end and is included in accounts payable and accrued liabilities.

### 7. Employee Future Benefits

#### Defined Benefit Retirement Health and Dental Plan

The Union offers a Benefit Plan which provides extended health care and dental insurance benefits to certain of its employees and extends this coverage to the post-retirement period, as described in Note 1.

The Union's liability associated with the Benefit Plan is as follows:

	2024	2023
Accrued benefit obligation - beginning of year	<b>\$ 548,900</b>	\$ 491,400
Current service cost	<b>21,600</b>	24,900
Interest cost on accrued benefit obligation during the year	<b>25,400</b>	25,000
Benefit payments made by Union during the year	<b>(36,100)</b>	(32,100)
Actuarial loss	<b>7,900</b>	39,700
Accrued benefit obligation - end of year	<b>\$ 567,700</b>	<b>\$ 548,900</b>

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## National Union of Public and General Employees Notes to the Financial Statements

**December 31, 2024**

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### **7. Employee Future Benefits (continued)**

The Union's defined benefit plan is not funded, resulting in a plan deficit equal to the accrued benefit obligation.

The significant actuarial assumptions adopted in estimating the Union's accrued benefit obligations are as follows:

	<u>2024</u>	<u>2023</u>
Discount rate to determine accrued benefit obligation	4.4%	4.6%
Dental cost increases	6.0%	7.0%
Extended healthcare cost escalations	7.0%	7.0%

In addition to the above, the mortality assumptions were based on the CPM2014Priv with Improvement Scale MI-2017 mortality table for both 2023 and 2024.

#### Severance Payable

Certain employees are entitled to severance pay upon termination of their employment as set out in their collective agreements or individual contracts of employment with the Union. The Union has accrued this liability based on employee entitlements under its collective agreement. An actuarial valuation has not been performed on this liability, however, related annual costs are calculated based on each employee's current rate of pay applied to the annual additional severance earned.

#### Multi-Employer Pension Plan

All permanent employees of the Union are members of the CWIPP which is a multi-employer, target benefit, average earnings over lifetime of contributions, contributory pension plan. The CWIPP is accounted for as a defined contribution plan as there is insufficient information to apply defined benefit plan accounting. The Union's contributions to the CWIPP during the period amounted to \$179,041 (2023 - \$159,112), and are included in administration - benefits and statutory in the statement of revenue and expenditures.

The most recent valuation for financial reporting purposes completed by CWIPP as at January 1, 2024 disclosed net assets available for benefits of \$4,526,200 with pension obligations of \$3,715,900, resulting in a surplus of \$810,300, which is based on the going concern funded basis.

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### **8. Internal Restrictions**

All internally restricted amounts are not available for other purposes without the approval of the finance committee, which reports to the Union's National Executive Board ("NEB").

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## National Union of Public and General Employees Notes to the Financial Statements

December 31, 2024

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### 9. Commitments

#### Office Premises

The Union leases office premises under a lease which expires in June 2025. The aggregate future minimum annual lease payments by fiscal year to expiry, including an estimate of operating costs, are as follows:

2025	\$ 136,052
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### 10. Financial Instruments

The Union is exposed to various risks through its financial instruments. The following analysis provides a measure of the Union's risk exposure and concentrations as at December 31, 2024.

#### Credit risk

Credit risk is the risk that one party will cause a financial loss for the other party by failing to discharge an obligation. While the Union is not exposed to concentrations of credit risk, the Union is subject to credit risk with respect to its accounts receivable. A significant portion of the Union's revenues and resulting receivable balances are derived from component union dues withheld from members. The Union performs ongoing component valuations of receivable balances and monitors provisions for partial losses.

#### Liquidity risk

Liquidity risk is the risk that an organization will encounter difficulty in meeting obligations associated with financial liabilities. The Union is exposed to this risk mainly in respect of its accounts payable and accrued liabilities, provision for vacations, accrued benefit obligation, and provision for severance pay. The Union manages its liquidity risk by monitoring its operating requirements through the use of budget and cash forecasts.

#### Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Union is exposed to interest rate risk, currency risk and other price risk.

#### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Union is exposed to fair value risk on its investments with fixed interest rates.

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## National Union of Public and General Employees Notes to the Financial Statements

December 31, 2024

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### 10. Financial Instruments (continued)

#### Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Union holds cash and investments in a foreign currency. Consequently, some assets are exposed to foreign exchange fluctuations.

#### 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 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. The Union is exposed to other price risk through its investments in traded equity and security holdings.

#### Changes in risk

There have been no other significant changes in the Union's risk exposures from the previous fiscal year.

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## National Union of Public and General Employees Schedule 1 - Dues and CLC Revenue

<b>For the year ended December 31</b>	<b>2024</b>	<b>2023</b>
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### Dues revenue

BC General Employees' Union	\$ 2,049,746	\$ 1,798,676
Canadian Union of Brewery and General Workers Local 325	7,102	7,104
Health Sciences Association of Alberta	597,746	576,710
Health Sciences Association of British Columbia	608,771	546,241
Health Sciences Association of Saskatchewan	122,751	117,600
Manitoba Association of Health Care Professionals	146,806	117,421
Manitoba Government and General Employees' Union	476,507	421,717
Newfoundland and Labrador Association of Public and Private Employees	304,000	289,000
New Brunswick Union of Public and Private Employees	132,637	122,720
Nova Scotia Government and General Employees Union	468,417	417,916
Ontario Public Service Employees Union/Syndicat des employés de la fonction publique de l'Ontario	3,184,681	2,841,028
Prince Edward Island Union of Public Sector Employees	60,234	57,989
Saskatchewan Government and General Employees' Union	295,032	327,814
Other dues	60,364	86,647
	\$ 8,514,794	\$ 7,728,583

### CLC revenue

BC General Employees' Union	\$ 513,830	\$ 502,751
Canadian Union of Brewery and General Workers Local 325	2,916	2,916
Health Sciences Association of Alberta	55,419	93,692
Health Sciences Association of British Columbia	155,520	150,660
Health Sciences Association of Saskatchewan	42,066	40,988
Manitoba Association of Health Care Professionals	66,532	68,080
Manitoba Government and General Employees' Union	282,733	265,716
Newfoundland and Labrador Association of Public and Private Employees	269,536	262,322
New Brunswick Union of Public and Private Employees	63,151	63,151
Nova Scotia Government and General Employees Union	312,741	290,531
Ontario Public Service Employees Union/Syndicat des employés de la fonction publique de l'Ontario	1,012,192	777,600
Prince Edward Island Union of Public Sector Employees	45,861	44,024
Saskatchewan Government and General Employees' Union	144,382	160,423
	\$ 2,966,879	\$ 2,722,854

## National Union of Public and General Employees Schedule 2 - General Expenditures

For the year ended December 31	2024	2023
<b>CLC expenditures</b>		
Affiliation fees - CLC	\$ 2,966,879	\$ 2,722,854
<b>Other affiliations</b>		
Affiliation fees - PSI/IUF/ITF	\$ 318,402	\$ 260,299
Solidarity	8,736	-
Canadian Labour Congress Convention	-	92,964
CLC Executive and Expenditures	310	43
PSI Expenditures	28,194	81,069
	\$ 355,642	\$ 434,375
<b>Conferences and net conventions</b>		
Conferences and conventions - Schedule 3	\$ 24,106	\$ 160,010
<b>Executive and committee meetings</b>		
Executive	\$ 189,614	\$ 190,198
Committees, seminars & occupational	255,446	247,895
	\$ 445,060	\$ 438,093
<b>Programs</b>		
Communications	\$ 111,170	\$ 121,754
Public relations	19,503	68,967
Polling	10,000	-
Scholarships	84,260	83,933
Research	12,000	32,000
General programs	174,485	175,640
Leadership training	74,591	54,542
Special projects	500,000	150,000
	\$ 986,009	\$ 686,836
<b>Solidarity/support</b>		
Component assistance	\$ 2,290	\$ 23,975
Canadian Centre for Policy Alternatives	30,000	30,000
Alternate Federal Budget	10,000	10,000
John Fryer Fund (previously Solidarity Justice)	25,000	90,000
Other campaigns/CLC campaign	38,000	34,124
Donations	72,250	141,070
	\$ 177,540	\$ 329,169

## National Union of Public and General Employees Schedule 2 - General Expenditures (continued)

For the year ended December 31	2024	2023
<b>Administration</b>		
Salary officers and technical	\$ 1,860,413	\$ 1,688,921
Salary administration and casual	420,879	359,552
Staff training development	41,384	46,818
Benefits and statutory (Note 7)	895,816	807,765
Travel officers	93,077	88,158
Travel staff	36,090	29,699
Severance pay expense	66,597	67,559
Vacation pay expense	44,710	56,847
Employee future benefits - health & dental (actuarial adjustment) (Note 7)	18,800	57,500
Relocation - staff/officers	10,000	-
Professional fees	61,912	49,735
	<b>\$ 3,549,678</b>	<b>\$ 3,252,554</b>
<b>Office operations</b>		
Rent, parking and storage	\$ 278,675	\$ 119,048
Leased equipment and repair	11,335	28,552
Telephone and fax usage	22,936	19,706
Internet/online charges	10,848	10,848
Postage and courier	806	1,182
Stationery and office supplies	20,097	16,299
Photocopying	872	32
Library, memberships and subscriptions	22,498	23,457
General operations	85,663	66,805
Renovations - relocate	1,950	1,175
Investment management fees	17,872	15,707
Computer support	79,524	64,047
Amortization of capital assets	89,955	18,413
Loss on sale of capital assets	1,513	1,120
	<b>\$ 644,544</b>	<b>\$ 386,391</b>

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**National Union of Public and General Employees**  
**Schedule 3 - Conferences and Conventions Expenditures**

<b>For the year ended December 31</b>	<b>2024</b>	<b>2023</b>
<b>Conferences and conventions</b>		
Anti-Racism conference	\$ -	\$ 85,531
Womens conference	-	74,479
Privatization conference	<u>24,106</u>	-
	<b>\$ 24,106</b>	<b>\$ 160,010</b>

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The background features a dark blue field with several overlapping rounded rectangular shapes in a medium blue and teal color. These shapes are arranged in a way that suggests a stylized 'R' or 'B' on the left and a 'U' or 'D' on the right, creating a modern, geometric aesthetic.

**2025**

**BUDGET**

**NUPGE  
HISTORICAL BUDGET**

	Budget 2022	Actual 2022	Budget 2023	Actual 2023	Budget 2024	Actual 2024	Budget 2025
<b>REVENUES</b>							
<b><u>Dues</u></b>							
BCGEU	1,600,000	1,543,772	1,750,000	1,798,676	1,800,000	2,049,747	2,118,000
CUBGW LOCAL 325	5,600	6,730	6,500	7,104	6,300	7,102	6,300
HSAA	539,550	567,454	581,250	576,710	560,000	597,746	592,958
HSABC	420,000	466,649	519,000	546,241	564,000	608,771	636,163
HSAS	0	8,536	0	117,600	124,000	122,751	126,715
MAHCP	0	16,968	90,000	117,421	117,000	146,806	132,456
MGEU	364,204	416,368	400,000	421,717	400,000	476,507	478,550
NAPE	254,000	273,500	280,000	289,000	292,000	304,000	308,000
NBU	95,021	114,070	95,496	122,720	116,000	132,637	117,527
NSGEU	368,965	378,414	394,560	417,916	434,800	468,417	497,427
OPSEU/SEFPO	2,540,000	2,622,914	2,668,000	2,841,028	3,013,100	3,184,681	3,263,980
PEI UPSE	50,870	56,529	54,000	57,989	55,000	60,234	58,000
SGEU	300,000	307,311	290,000	327,814	290,000	295,032	336,600
ANTICIPATED REVENUE ADJUSTMENT	80,000	111,019	30,000	86,647	30,000	60,362	50,000
<b>Subtotal</b>	<b>6,618,210</b>	<b>6,890,234</b>	<b>7,158,806</b>	<b>7,728,583</b>	<b>7,802,200</b>	<b>8,514,794</b>	<b>8,722,676</b>
<b><u>Other</u></b>							
INTEREST EARNED	40,000	76,248	70,000	365,087	390,000	426,763	415,000
INTEREST EARNED - SECURITIES	5,000	5,729	30,000	10,245	30,000	76,950	75,000
DIVIDEND INCOME - SECURITIES	12,000	16,951	20,000	11,053	20,000	10,870	20,000
OTHER INCOME - SECURITIES	12,000	10,429	12,000	21,133	20,000	33,002	30,000
GAINS (LOSSES) ON SECURITIES	77,000	(256,413)	0	358,654	0	297,866	50,000
MISCELLANEOUS REVENUES	335,000	298,574	317,000	294,202	251,000	252,565	251,000
<b>Subtotal</b>	<b>481,000</b>	<b>151,518</b>	<b>449,000</b>	<b>1,060,374</b>	<b>711,000</b>	<b>1,098,015</b>	<b>841,000</b>
<b>TOTAL REVENUES</b>	<b>7,099,210</b>	<b>7,041,752</b>	<b>7,607,806</b>	<b>8,788,957</b>	<b>8,513,200</b>	<b>9,612,809</b>	<b>9,563,676</b>
<b>EXPENDITURES</b>							
<b><u>Affiliations</u></b>							
PSI / IUF / ITF	165,000	165,008	165,000	260,299	265,000	318,403	350,000
SOLIDARITY EXPENSES	0	15,734	200,000	0	300,000	8,736	200,000
CLC EXEC EXPENSES	10,000	250	15,000	43	15,000	310	10,000
CLC CONVENTION	0	189	100,000	92,964	0	0	0
SUPREME COURT/CLC LEGAL CHALL	25,000	0	0	0	0	0	0
PSI EXPENSES	15,000	12,387	40,000	25,330	40,000	28,194	0
PSI CONGRESS	0	0	60,000	55,739	0	0	0
<b>Subtotal</b>	<b>215,000</b>	<b>193,568</b>	<b>580,000</b>	<b>434,375</b>	<b>620,000</b>	<b>355,642</b>	<b>560,000</b>

**NUPGE  
HISTORICAL BUDGET**

	Budget 2022	Actual 2022	Budget 2023	Actual 2023	Budget 2024	Actual 2024	Budget 2025
<b><u>Conferences and Conventions</u></b>							
NUPGE CONVENTION	750,000	782,190	0	0	0	0	900,000
ENVIRONMENT CONFERENCE	85,000	26,652	0	0	0	0	0
WOMEN'S CONFERENCE	85,000	0	55,000	74,479	0	0	0
YOUTH CONFERENCE	85,000	41,191	0	0	0	0	0
ANTI-RACISM CONFERENCE	0	0	55,000	85,531	0	0	0
CLIMATE CHANGE CONFERENCE					55,000	0	0
PRIVATIZATION CONFERENCE	0	0	55,000	0	55,000	24,106	0
<b>Subtotal</b>	<b>1,005,000</b>	<b>850,033</b>	<b>165,000</b>	<b>160,010</b>	<b>110,000</b>	<b>24,106</b>	<b>900,000</b>
<b><u>Executive and Committee Meetings</u></b>							
EXECUTIVE	160,000	185,826	225,000	190,198	225,000	189,613	225,000
COMMITTEES, SEMINARS, OCC.	75,000	89,311	200,000	247,895	200,000	255,446	200,000
<b>Subtotal</b>	<b>235,000</b>	<b>275,137</b>	<b>425,000</b>	<b>438,093</b>	<b>425,000</b>	<b>445,060</b>	<b>425,000</b>
<b><u>Programs</u></b>							
COMMUNICATONS	600,000	259,721	450,000	121,754	450,000	49,867	450,000
PUBLIC RELATIONS	40,000	7,500	240,000	68,967	240,000	19,503	100,000
CAMPAIGNS	0	0	0	0	0	0	600,000
POLLING	25,000	0	80,000	0	80,000	10,000	0
SCHOLARSHIPS	77,400	44,678	90,000	83,933	90,000	84,260	90,000
RESEARCH	75,000	12,000	75,000	32,000	125,000	12,000	75,000
LEADERSHIP DEVELOPMENT SCHOOL	50,000	38,193	50,000	54,542	60,000	74,591	80,000
GENERAL PROGRAMS	300,000	121,582	320,000	175,640	320,000	174,485	300,000
SPECIAL PROJECT	0	0	500,000	150,000	500,000	300,000	500,000
<b>Subtotal</b>	<b>1,167,400</b>	<b>483,674</b>	<b>1,805,000</b>	<b>686,836</b>	<b>1,865,000</b>	<b>724,707</b>	<b>2,195,000</b>
<b><u>Soliariry/Support</u></b>							
COMPONENT ASSISTANCE	100,000	70,448	100,000	23,975	100,000	2,290	100,000
CAN CENTRE POLICY ALTERNATIVES	30,000	30,000	30,000	30,000	30,000	30,000	30,000
ALTERNATE FEDERAL BUDGET	10,000	10,000	10,000	10,000	10,000	10,000	10,000
BROADBENT INSTITUTE	0	0	0	0	0	0	22,000
JOHN FRYER FUND	75,000	112,500	150,000	90,000	150,000	25,000	150,000
OTHER CAMPAIGNS	47,000	60,368	40,000	34,124	55,000	38,000	100,000
CANADIAN NATURAL DISASTER FUND	0	0	0	0	125,000	0	125,000
DONATIONS	145,000	127,324	100,000	141,070	110,000	72,250	150,000
<b>Subtotal</b>	<b>407,000</b>	<b>410,640</b>	<b>430,000</b>	<b>329,169</b>	<b>580,000</b>	<b>177,540</b>	<b>687,000</b>

**NUPGE  
HISTORICAL BUDGET**

	Budget 2022	Actual 2022	Budget 2023	Actual 2023	Budget 2024	Actual 2024	Budget 2025
<b>Administration</b>							
SALARY PRESIDENT	0	0	0	0	215,125	218,246	223,294
SALARY SECRETARY-TREASURER	0	0	0	0	209,625	212,280	217,206
SALARY TECHNICAL	1,610,545	1,609,853	1,723,284	1,688,921	1,717,280	1,429,887	1,750,000
SALARY ADMINISTRATION & CASUAL	412,500	379,022	440,000	359,552	462,000	420,879	394,000
STAFF TRAINING DEVELOPMENT	40,000	12,058	45,000	46,818	75,000	41,384	75,000
BENEFITS & STATUTORY	780,700	706,723	743,000	807,765	779,600	740,083	810,000
TRAVEL PRESIDENT	115,000	90,541	120,000	88,158	65,000	62,359	65,000
TRAVEL SECRETARY-TREASURER	0	0	0	0	65,000	30,719	65,000
OFFICERS CONTRACTUAL EXPENSES - PRESIDENT	0	0	0	0	82,500	85,462	82,500
OFFICERS CONTRACTUAL EXPENSES - S-T	0	0	0	0	82,500	70,272	82,500
TRAVEL STAFF	25,900	19,626	30,000	29,699	50,000	36,090	50,000
TRAVEL MISCELLANEOUS	2,600	0	3,000	0	3,000	0	3,000
SEVERANCE PAY EXPENSE	100,000	101,666	72,000	67,559	72,300	66,597	72,000
VACATION PAY EXPENSE	52,000	87,581	20,000	56,847	60,000	44,710	86,400
EMPLOYEE FUTURE BENEFITS-HEALTH & DENTAL	20,000	(65,700)	0	57,500	0	18,800	0
RELOCATION - STAFF/OFFICERS	10,000	10,000	0	0	0	10,000	0
PROFESSIONAL FEES	57,000	56,342	63,000	49,735	60,000	37,052	48,000
<b>Subtotal</b>	<b>3,226,245</b>	<b>3,007,712</b>	<b>3,259,284</b>	<b>3,252,554</b>	<b>3,998,930</b>	<b>3,524,818</b>	<b>4,023,901</b>
<b>Office Operations</b>							
RENT, PARKING & STORAGE	280,000	118,716	210,000	119,048	280,000	278,674	280,000
LEASED EQUIPMENT & REPAIR	30,000	28,869	30,000	28,552	18,100	11,335	3,075
TELEPHONE & FAX USAGE	15,000	16,902	22,000	19,706	18,500	22,936	22,000
ON-LINE CHARGES	11,000	10,702	11,000	10,848	11,000	10,848	11,000
POSTAGE & COURIER	11,500	518	11,500	1,182	11,000	806	3,000
STATIONERY & OFFICE SUPPLIES	25,000	13,449	25,000	16,299	25,000	20,097	25,000
PHOTOCOPYING	10,000	113	10,000	32	10,000	872	3,000
LIBRARY, SUBSCRIPTION, MEMBERSP	11,000	17,653	15,000	23,457	40,000	22,498	25,000
GENERAL OPERATIONS	35,000	50,204	60,000	66,805	65,500	77,526	73,500
SERVICE CHARGES - SECURITIES	40,000	16,053	25,000	15,707	18,000	17,872	20,000
RENOVATIONS - RELOCATE	10,000	8,164	10,000	1,175	0	0	100,000
COMPUTER SUPPORT	70,000	71,395	65,000	64,047	65,000	71,880	82,000
DEPRECIATION AND AMORIZATION	25,000	23,522	32,200	18,413	40,000	89,955	50,000
LOSS ON SALE OF ASSETS	1,000	2,078	5,000	0	7,500	1,513	0
<b>Subtotal</b>	<b>574,500</b>	<b>378,338</b>	<b>531,700</b>	<b>385,271</b>	<b>609,600</b>	<b>626,813</b>	<b>697,575</b>
<b>Contingency</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>304,670</b>	<b>303,895</b>	<b>70,000</b>
<b>TOTAL EXPENDITURES</b>	<b>6,830,145</b>	<b>5,599,102</b>	<b>7,195,984</b>	<b>5,686,308</b>	<b>8,513,200</b>	<b>6,182,580</b>	<b>9,558,475</b>
<b>TOTAL REVENUES</b>	<b>7,099,210</b>	<b>7,041,752</b>	<b>7,607,806</b>	<b>8,788,957</b>	<b>8,513,200</b>	<b>9,612,809</b>	<b>9,563,676</b>
<b>NET SURPLUS (DEFICIT)</b>	<b>269,065</b>	<b>1,442,650</b>	<b>411,822</b>	<b>3,102,649</b>	<b>(0)</b>	<b>3,430,229</b>	<b>5,201</b>

## Notes

THIS CONVENTION WAS  
MADE POSSIBLE  
BY  
**CANADIAN**  
LABOUR & GOODS



**nupge**  
CONVENTION 2025