

AMALGAMATED TRANSIT UNION CANADA
FINANCIAL STATEMENTS
DECEMBER 31, 2025

Amalgamated Transit Union Canada

Financial Statements

December 31, 2025

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INDEPENDENT AUDITORS' REPORT

To the Executives of
Amalgamated Transit Union Canada

Opinion

We have audited the accompanying financial statements of Amalgamated Transit Union ("ATU") Canada, which comprise the statement of Financial Position as at December 31, 2025 and December 31, 2024 and the statements of operations, supplemental schedule of expenses, changes in fund balances and cash flows for the year then ended, and the related notes, which comprise a summary of material accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the role of ATU Canada as at December 31, 2025 and December 31, 2024 and its financial performance 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 ("Canadian GAAS"). 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 ATU Canada 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 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 ATU Canada'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 ATU Canada or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the ATU Canada'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 GAAS 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 GAAS, 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 ATU Canada'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 ATU Canada'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 ATU Canada 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.

Toronto, Ontario
June 16, 2026



Chartered Professional Accountants
Licensed Public Accountants

Amalgamated Transit Union Canada

Statement of Financial Position

As at December 31,

2025

2024

ASSETS

Current

Cash and cash equivalents (Note 4)

\$ 301,410 \$ 499,121

Receivable from ATU International

113,131 101,572

Prepaid expenses and other assets

33,445 23,397

447,986 624,090

GIC Investment (Note 6)

655,682 628,048

Property and Equipment (Note 5)

7,412 9,989

\$ 1,111,080 \$ 1,262,127

LIABILITIES

Current

Accounts payable and accrued liabilities

\$ 24,820 \$ 34,731

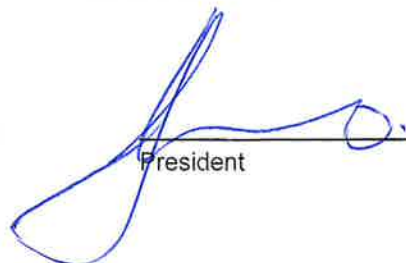
FUND BALANCES

1,086,260 1,227,396

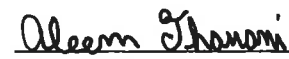
\$ 1,111,080 \$ 1,262,127

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

Approved on behalf of the
Executives



President


Financial Secretary

Amalgamated Transit Union Canada

Statement of Operations

For the year ended December 31,

2025

2024

Revenue

Contributions from ATU International (Note 3)	\$ 460,764	\$ 665,748
Voluntary per capita sponsorship	60,037	120,900
ATU Canada Conference sponsorship	73,446	67,918
Interest income	27,634	18,924
Income Per Capita	3,868	-
Registration fees	<u>47,349</u>	<u>45,833</u>
	<u>673,098</u>	<u>919,323</u>

Expenditures

Administrative expenses (See Supplemental Schedule of Expenses)	420,239	498,638
ATU Canada conference (See Supplemental Schedule of Expenses)	271,186	227,652
Executive board expenses (See Supplemental Schedule of Expenses)	116,374	76,314
Project funds - Strike	5,074	6,423
Campaign expenses	<u>1,361</u>	<u>400</u>
	<u>814,234</u>	<u>809,427</u>

Excess of (Expenditures over Revenue) Revenue over Expenditures

\$ (141,136) \$ 109,896

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

Amalgamated Transit Union Canada

Supplemental Schedule of Expenses

For the year ended December 31,

2025

2024

Administrative expenses

Office salaries	\$ 173,847	\$ 165,498
Professional fees	67,439	46,511
Employee benefits	40,343	21,141
Donation and sponsorship	38,568	91,568
Office and general	24,550	29,139
Organizing expenses	22,593	43,516
Affiliations	18,812	43,026
Computer expenses	10,577	3,756
Promotional material	6,945	13,355
Telephone	6,715	8,366
Insurance	5,182	5,802
Education	2,936	22,122
Honorarium	750	375
Bank charges (recovery)	(1,596)	930
Amortization	2,578	3,533
	<u>\$ 420,239</u>	<u>\$ 498,638</u>

ATU Canada conference

Conference expenses - ATU	\$ 256,488	\$ 170,506
Airfare and travel - ATU	12,578	53,621
Committees	2,120	3,525
	<u>\$ 271,186</u>	<u>\$ 227,652</u>

Executive board expenses

Airfare and travel - Executive	\$ 79,810	\$ 51,014
International convention - Executive	780	-
Per diem allowance - Executive	30,403	16,385
General expenses - Executive	5,381	8,915
	<u>\$ 116,374</u>	<u>\$ 76,314</u>

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

Amalgamated Transit Union Canada

Statement of Changes in Fund Balances

For the year ended December 31,	2025	2024
Net Assets, Beginning of year	\$ 1,227,396	\$ 1,117,500
Excess of (Expenditures over Revenue) Revenue over Expenditures	<u>(141,136)</u>	<u>109,896</u>
Net Assets, End of year	<u>\$ 1,086,260</u>	<u>\$ 1,227,396</u>

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

Amalgamated Transit Union Canada

Statement of Cash Flows

For the year ended December 31,

2025

2024

OPERATING ACTIVITIES

Excess of (expenditures over revenue) revenue over expenditures	\$ (141,136)	\$ 109,896
Adjustment revenue over expenditures for non-cash items:		
Amortization	2,578	3,533
Non-cash interest income	(27,634)	-
	<u>(166,192)</u>	<u>113,429</u>
Changes in non-cash balances:		
Receivable from ATU International	(11,559)	(6,857)
Accounts payable and accrued liabilities	(9,912)	6,842
Prepaid expenses and other assets	(10,048)	(2,313)
	<u>(31,519)</u>	<u>(2,328)</u>
Cash (Used in) Provided by Operating Activities	<u>(197,711)</u>	<u>111,101</u>

INVESTING ACTIVITY

Purchase of investments	-	(628,048)
Cash Used in Investing Activity	<u>-</u>	<u>(628,048)</u>

NET CHANGE IN CASH

	(197,711)	(516,947)
CASH AND CASH EQUIVALENTS, Beginning of year	<u>499,121</u>	<u>1,016,068</u>
CASH AND CASH EQUIVALENTS, End of year	<u>\$ 301,410</u>	<u>\$ 499,121</u>

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

Amalgamated Transit Union Canada

Notes to Financial Statements

December 31, 2025

1. PURPOSE OF THE ORGANIZATION

Amalgamated Transit Union ("ATU") Canada was formed in September 2015 by the delegation at the Founding Conference as a continuation of the previously dissolved Amalgamated Transit Union Canadian Council (ATUCC). At the time of its dissolution in June 2015, ATUCC was put into Trusteeship and governed by the ATU International office. As of December 1, 2015, the Trusteeship was relinquished and ATU Canada assumed operations. ATU Canada is in place to represent the Amalgamated Transit Union in Canada on all issues of Canadian interest including legislative, political, educational, health and safety, cultural and social welfare matters. As a consequence of its not-for profit status, the fund is not subject to income taxes. These financial statements were approved for issuance by executives on June 16, 2026.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

Basis of Presentation

General Fund

ATU Canada maintains the General Fund to record the day to day operations of the Council with no restrictions.

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following material accounting policies:

Financial Instruments

Initial and subsequent measurements

ATU Canada initially measures its financial assets and financial liabilities at fair value. It subsequently measures all its financial assets and financial liabilities at amortized cost.

Financial assets subsequently measured at amortized cost include cash and cash equivalents, term deposits, and receivables from ATU International.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

Impairment

For financial assets measured at cost or amortized cost, ATU Canada determines whether there are indications of possible impairment. When there is an indication of impairment, and ATU Canada determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows, a write-down is recognized in income. A previously recognized impairment loss may be reversed. The carrying amount of the financial asset may not be 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 statement of operations.

Property and Equipment

Property and equipment are recorded at cost, less accumulated amortization. Amortization is calculated over their estimated useful lives indicated below:

Computer equipment	30% declining balance
Furniture and equipment	10% straight-line method
Camera	20% declining balance

Property and equipment are reviewed for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable.

Amalgamated Transit Union Canada

Notes to Financial Statements

December 31, 2025

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Cont'd)

Asset Impairment

In the event that facts and circumstances indicate that the ATU Canada's long-lived assets may be impaired, an evaluation of recoverability would be performed. Such an evaluation entails comparing the estimated future undiscounted cash flows associated with the asset to the asset's carrying amount to determine if a write down to market value or discounted cash flow value is required. ATU Canada has determined that such an evaluation is not needed.

Accounting Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles for not-for-profit requires executives to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Revenue Recognition

Unrestricted contributions are recognized as revenue when received and receivable if the amount can be reasonably estimated and collection is reasonably assured. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred.

Cash and cash equivalents

Cash and cash equivalents are made up mostly of unrestricted cash and short-term investments with original maturity of three months or less from the date of acquisition.

3. CONTRIBUTIONS FROM ATU INTERNATIONAL

Included in the statement of operations are the following amounts received from ATU International as operational subsidy in the amount of \$439,164 (2024 - \$419,766). The amount receivable at December 31, 2025 is \$113,131 (2024 - \$101,572).

4. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash on deposit and short-term investments (term deposits, treasury bills, bank deposit notes, etc.) with a term to maturity of less than 90 days.

	2025	2024
Cash	<u>\$ 301,410</u>	<u>\$ 499,121</u>

Amalgamated Transit Union Canada

Notes to Financial Statements

December 31, 2025

5. PROPERTY AND EQUIPMENT

	<u>2025</u>		<u>2024</u>	
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Furniture & equipment	\$ 40,248	\$ 40,248	\$ -	\$ -
Computers	40,836	36,777	4,059	5,798
Camera Equipment	5,821	2,468	3,353	4,191
	<u>\$ 86,905</u>	<u>\$ 79,493</u>	<u>\$ 7,412</u>	<u>\$ 9,989</u>

Executives determined that there is no impairment charge for the year ended December 31, 2025.

6. INVESTMENTS

The Company has investments owned as outlined below:

	<u>2025</u>		<u>2024</u>	
	<u>Investments owned at cost</u>	<u>Investments owned at fair value</u>	<u>Investments owned at cost</u>	<u>Investments owned at fair value</u>
Canadian dollar denominated GIC	<u>\$ 617,259</u>	<u>\$ 655,682</u>	<u>\$ 617,259</u>	<u>\$ 628,048</u>

7. RELATED PARTY TRANSACTIONS

Remuneration of the president's salary and rent for the premises occupied are paid by ATU International and, accordingly, are not reflected in these financial statements.

8. COMMITMENTS

ATU Canada is committed to an equipment lease until April 2026 at a cost of \$4,565 per annum.

9. FINANCIAL INSTRUMENTS

ATU Canada regularly evaluates and manages the principal risks assumed with its financial instruments. The risks that arise from transacting in financial instruments include credit risk and liquidity risk. The following analysis provides a measure of the ATU Canada's risk exposure and concentrations at the statement of financial position date. There are no significant changes in the risk exposures from the prior year.

Credit risk

ATU Canada is exposed to credit risk with respect to cash and cash equivalents, term deposits and receivable from ATU International. The receivables from ATU International were received soon after the fiscal year-end. ATU Canada assesses, on a continuous basis, receivables on the basis of amounts it is virtually certain to receive. The credit risk with respect to cash and term deposits is insignificant since they are held in large financial institutions.

Amalgamated Transit Union Canada

Notes to Financial Statements

December 31, 2025

9. FINANCIAL INSTRUMENTS (Cont'd)

Liquidity risk

Liquidity risk is the risk of being unable to meet cash requirements or to fund obligations as they become due. Accounts payable and accrued liabilities are generally repaid within 30 days. ATU Canada is not exposed to liquidity risk.

10. ECONOMIC DEPENDENCE

Contributions received from ATU Canada International represents 68% (2024 - 72%) of ATU Canada's total revenues.

11. CONTINGENCY

In the normal course of operation, ATU Canada has been named as a codefendant against a former member of the Amalgamated Transit Local 1415 relating to their dismissal from employment. Management feels that the claim is without merit and ATU Canada has no responsibility with respect to this complaint.