

CANADIAN ALLIANCE OF STUDENT ASSOCIATIONS (CASA)

FINANCIAL STATEMENTS

APRIL 30, 2014

INDEPENDENT AUDITORS' REPORT

To the Members of,
Canadian Alliance of Student Associations (CASA):

We have audited the accompanying financial statements of Canadian Alliance of Student Associations, which comprise the statement of financial position as at April 30, 2014, and the statements of operations, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian 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.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Canadian Alliance of Student Associations as at April 30, 2014, 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.

OHCD LLP.

OUSELEY HANVEY CLIPSHAM DEEP LLP
Licensed Public Accountants

Ottawa, Ontario
September 15, 2014

CANADIAN ALLIANCE OF STUDENT ASSOCIATIONS (CASA)

STATEMENT OF FINANCIAL POSITION
AS AT APRIL 30, 2014

	2014	2013
CURRENT ASSETS		
Cash	\$ 253,865	\$ 224,375
Short term investments (note 2)	433,368	428,349
Accounts receivable	-	10,177
Prepaid expenses	4,779	6,567
	692,012	669,468
CAPITAL ASSETS (NOTE 3)	7,605	5,621
	\$ 699,617	\$ 675,089
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 31,092	\$ 37,017
Deferred revenue (note 4)	3,136	3,636
	34,228	40,653
DEFERRED LEASE INDUCEMENT (NOTE 5)	12,996	-
	47,224	40,653
NET ASSETS		
Unrestricted net assets	544,933	553,960
Invested in capital assets	7,605	5,621
Internally restricted net assets	99,855	74,855
	652,393	634,436
	\$ 699,617	\$ 675,089

CONTINGENCY (NOTE 9)

Approved on behalf of the Board:

Director

Director

CANADIAN ALLIANCE OF STUDENT ASSOCIATIONS (CASA)

STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED APRIL 30, 2014

	2014	2013
UNRESTRICTED NET ASSETS		
Balance - beginning of year	\$ 553,960	\$ 381,237
Net revenue for the year	17,957	194,727
Investment in capital assets	(1,984)	2,996
Transfer to internally restricted net assets	(25,000)	(25,000)
Balance - end of year	\$ 544,933	\$ 553,960
INVESTED IN CAPITAL ASSETS		
Balance - beginning of year	\$ 5,621	\$ 8,617
Purchase of capital assets	4,913	-
Amortization of capital assets	(2,929)	(2,996)
Balance - end of year	\$ 7,605	\$ 5,621
INTERNALLY RESTRICTED (NOTE 8)		
Balance - beginning of year	\$ 74,855	\$ 49,855
Transfer from unrestricted net assets	25,000	25,000
Balance - end of year	\$ 99,855	\$ 74,855

CANADIAN ALLIANCE OF STUDENT ASSOCIATIONS (CASA)

STATEMENT OF OPERATIONS
FOR THE YEAR ENDED APRIL 30, 2014

	2014	2013
REVENUE		
Membership dues	\$ 577,621	\$ 673,493
Conference fees and other	13,660	38,222
	591,281	711,715
EXPENSE		
Amortization of capital assets	2,929	2,996
Bank charges and interest	324	336
Board retreat	5,995	8,491
Conferences	49,464	47,669
Hiring	1,561	1,050
Insurance	3,673	3,640
Moving - staff	2,451	-
Office supplies and services	8,512	19,804
Postage and courier	450	433
Public relations	55,838	35,005
Professional fees	19,071	7,992
Rent	48,204	50,833
Research	14,695	2,185
Salaries and benefits	323,674	299,199
Security	463	338
Subscriptions and research documents	2,668	2,898
Telecommunications	7,456	6,724
Translation	17,941	14,022
Travel and meetings	7,955	13,373
	573,324	516,988
NET REVENUE FOR THE YEAR	\$ 17,957	\$ 194,727

CANADIAN ALLIANCE OF STUDENT ASSOCIATIONS (CASA)STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED APRIL 30, 2014

	2014	2013
CASH PROVIDED BY (USED FOR)		
OPERATING ACTIVITIES		
Net revenue for the year	\$ 17,957	\$ 194,727
Item not requiring cash:		
Amortization of capital assets	2,929	2,996
	20,886	197,723
Changes in non-cash working capital:		
Accounts receivable	10,177	(6,852)
Prepaid expenses	1,788	(2,207)
Accounts payable and accrued liabilities	(5,925)	12,390
Deferred revenue	(500)	1,438
Deferred lease inducement	12,996	-
	39,422	202,492
INVESTING ACTIVITIES		
Purchase of capital assets	(4,913)	-
Purchase of short term investments	(5,019)	(202,272)
	(9,932)	(202,272)
CHANGE IN CASH FOR THE YEAR	29,490	220
Cash beginning of the year	224,375	224,155
CASH END OF YEAR	\$ 253,865	\$ 224,375

CANADIAN ALLIANCE OF STUDENT ASSOCIATIONS (CASA)

NOTES TO FINANCIAL STATEMENTS

APRIL 30, 2014

Canadian Alliance of Student Associations was incorporated on June 27, 1995 without share capital, under the laws of Canada. It is the mission of the Alliance to ensure that the students of Canada are full participants in defining the future of post-secondary education in Canada. The Alliance is a not-for-profit organization and is not subject to income taxes.

1. SIGNIFICANT ACCOUNTING POLICIES

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

(a) Capital assets

Capital assets are recorded at cost. Computer equipment is amortized using the declining balance method at the rate of 45% per annum. Furniture equipment is amortized using the declining balance method at the rate of 20% per annum.

(b) Revenue recognition

The Alliance follows the deferral method of recognizing revenue. Membership dues are recognized as revenue in the year to which they apply. Conference fees and other revenue are recognized when received or can be reasonably estimated and collection is reasonably assured.

(c) Use of estimates

The preparation of these financial statements in conformity 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 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. These estimates are reviewed annually and as adjustments become necessary, they are recorded in the financial statements in the period in which they become known.

(d) Financial instruments

Financial instruments are initially recognized at fair value and are subsequently measured at cost, amortized cost or cost less appropriate allowances for impairment.

2. SHORT TERM INVESTMENTS

Short term investments consist of cashable guaranteed investment certificates that earn interest at rate of 1% per year and mature between July 16, 2014 and December 18, 2014.

CANADIAN ALLIANCE OF STUDENT ASSOCIATIONS (CASA)

NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2014

3. CAPITAL ASSETS

			2014		2013	
	Cost	Accumulated Amortization	Net	Net		
Computer equipment	\$ 23,172	\$ 17,825	\$ 5,347	\$ 2,799		
Furniture equipment	4,989	2,731	2,258	2,822		
	\$ 28,161	\$ 20,556	\$ 7,605	\$ 5,621		

4. DEFERRED REVENUE

Deferred revenue consists of contributions received for the travel cost sharing program. These amounts are recognized as revenue when the related travel subsidies are awarded.

	2014		2013	
Balance, beginning of year	\$ 3,636	\$ 2,198		
Less: amount recognized as revenue in the year	(500)	(563)		
Plus: amount received related to the following year	-	2,000		
Balance, end of year	\$ 3,136	\$ 3,636		

5. DEFERRED LEASE INDUCEMENT

During the year, the Alliance received a lease inducement of \$14,440. This amount was deferred and is being amortized on a straight-line basis over the life of the lease. Amortization is recorded as a reduction in rent expense.

6. COMMITMENTS

The Alliance rents office space under a lease agreement that extends to October 31, 2018. Annual lease payments are as follows:

2015	\$ 23,900
2016	24,500
2017	24,900
2018	25,300
2019	12,600

Current annual operating costs are approximately \$25,000 per year.

CANADIAN ALLIANCE OF STUDENT ASSOCIATIONS (CASA)

NOTES TO FINANCIAL STATEMENTS

April 30, 2014

7. FINANCIAL INSTRUMENTS

The Alliance's financial instruments consist of cash, short-term investments, accounts receivable and accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the Alliance is not exposed to significant interest rate, currency, credit, liquidity or market risks arising from its financial instruments and the carrying amount of the financial instruments approximate their fair value.

8. INTERNALLY RESTRICTED NET ASSETS

	Balance beginning of year	Restricted in year	Used in year	Balance end of year
Contingency Fund	\$ 40,593	\$ -	\$ -	\$ 40,593
Federal Election Fund	10,262	25,000	-	35,262
Capital Fund	9,000	-	-	9,000
Campus Tour Fund	15,000	-	-	15,000
	\$ 74,855	\$ 25,000	\$ -	\$ 99,855

The Contingency Fund is reserved for instance of unforeseen financial spending. CASA is funded 100% by membership dues. While this is a contractual agreement between members and the Alliance, there is a risk associated with such an arrangement.

The Federal Election Fund is reserved for Federal Election or on-campus referendums of a similar election type event. This fund is used for the purchasing of advertising, document preparation, consultations and other election related costs.

The Capital Fund is reserved for asset/capital purchases. This fund is used for the purchase of various items related to the maintenance and furnishing of the office.

Campus Tour Fund is reserved for home office staff to visit current members of CASA to build stronger relationships with all the executives and governing bodies of their organizations.

9. CONTINGENCY

CASA has been served with two third party claims by former employees. These former employees are defendants in an action that alleges defamation and claims \$350,000 in damages plus interest and costs. The Alliance is defending these actions and is of the opinion that the actions are without merit. The outcome of these actions is not determinable. As a result the loss, if any, has not been recorded in the financial statements and is expected to be covered by insurance.