

Financial Statements of

**CANADIAN ALLIANCE OF STUDENT
ASSOCIATIONS (C.A.S.A.)**

April 30, 2021

September 22, 2021

INDEPENDENT AUDITOR'S REPORT

To the Members of
Canadian Alliance of Student Associations (C.A.S.A.):

Opinion

We have audited the accompanying financial statements of Canadian Alliance of Student Associations (C.A.S.A.) (the "Organization"), which comprise the statement of financial position as at April 30, 2021, and the statements of changes in net assets and operations and cash flow for the year then ended, as well as a summary of significant accounting policies and other explanatory information.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Canadian Alliance of Student Associations (C.A.S.A.) as at April 30, 2021, 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 Organization 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 audit opinion.

Other Matter

The financial statements of Canadian Alliance of Student Associations (C.A.S.A.) for the year ended April 30, 2020 were audited by another auditor who expressed an unmodified opinion on those statements on July 16, 2020.

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 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 these financial statements, management is responsible for assessing the Organization'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 Organization or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Organization'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 Organization'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 Organization'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 Organization 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.



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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.

A handwritten signature in black ink that reads 'Hendry Warren LLP'. The signature is written in a cursive, flowing style.

HENDRY WARREN LLP
Chartered Professional Accountants
Licensed Public Accountants
Ottawa, Ontario

CANADIAN ALLIANCE OF STUDENT ASSOCIATIONS (C.A.S.A.)

Statement of Financial Position

April 30, 2021, with comparative figures for 2020

	2021	2020
Assets		
Current assets		
Cash	\$ 862,549	\$ 709,767
Accounts receivable	2,080	25,542
Prepaid expenses	9,800	22,638
	874,429	757,947
Capital assets (Note 2)	7,724	3,143
	\$ 882,153	\$ 761,090
Liabilities and Net Assets		
Current liabilities		
Accounts payable and accrued liabilities	\$ 30,609	\$ 33,643
Deferred revenue (Note 3)	19,942	-
	50,551	33,643
Commitments (Note 4)		
Net assets		
Unrestricted net assets	343,633	344,059
Invested in capital assets	7,724	3,143
Internally restricted (Note 5)	480,245	380,245
	831,602	727,447
	\$ 882,153	\$ 761,090

Approved on behalf of the Board:

Director

Director

CANADIAN ALLIANCE OF STUDENT ASSOCIATIONS (C.A.S.A.)

Statement of Changes in Net Assets

Year ended April 30, 2021, with comparative figures for 2020

Unrestricted Net Assets	2021	2020
Balance - beginning of year	\$ 344,059	\$ 202,586
Net revenue for the year	104,157	139,595
Investment in capital assets	(4,583)	1,878
Transfer to restricted funds	(100,000)	-
Balance - end of year	\$ 343,633	\$ 344,059

Invested in Capital Assets	2021	2020
Balance - beginning of year	\$ 3,143	\$ 5,021
Purchase of capital assets	7,343	-
Amortization of capital assets	(2,762)	(1,878)
Balance - end of year	\$ 7,724	\$ 3,143

Internally Restricted (Note 5)	2021	2020
Balance - beginning of year	\$ 380,245	\$ 380,245
Transfer from unrestricted funds	100,000	-
Balance - end of year	\$ 480,245	\$ 380,245

CANADIAN ALLIANCE OF STUDENT ASSOCIATIONS (C.A.S.A.)

Statement of Operations

Year ended April 30, 2021, with comparative figures for 2020

	2021	2020
Revenue		
Membership fees	\$ 603,082	\$ 616,828
Conference fees and other	26,689	101,651
	629,771	718,479
Expenses		
Amortization	2,762	1,878
Annual campaign	49,941	40,820
Bank charges and interest	204	990
Board retreat	90	9,685
Conferences	4,129	48,912
Hiring	-	629
Insurance	5,110	4,655
Office supplies and services	8,425	7,558
Postage and courier	-	163
Professional fees	13,411	38,161
Public relations	16,230	44,982
Rent	41,185	46,522
Salaries and wages	302,866	297,931
Security	546	441
Subscriptions and research documents	65,807	8,613
Telecommunications	4,900	4,845
Translation	8,396	4,845
Travel and meetings	1,612	17,254
	525,614	578,884
Net revenue for the year	\$ 104,157	\$ 139,595

CANADIAN ALLIANCE OF STUDENT ASSOCIATIONS (C.A.S.A.)

Cash Flow Statement

Year ended April 30, 2021, with comparative figures for 2020

	2021	2020
Operating activities		
Net revenue for the year	\$ 104,157	\$ 139,595
Non-cash item:		
Amortization expense	2,762	1,878
Changes in non-cash working capital balances (Note 6)	53,208	(28,653)
Cash provided by operating activities	160,127	112,820
Investing activities		
Purchase of capital assets	(7,345)	-
Cash used in investing activities	(7,345)	-
Increase in cash	152,782	112,820
Cash, beginning of year	709,767	596,947
Cash, end of year	\$ 862,549	\$ 709,767

CANADIAN ALLIANCE OF STUDENT ASSOCIATIONS (C.A.S.A.)

Notes to the Financial Statements

April 30, 2021, with comparative figures for 2020

Statutes of incorporation and nature of activities

The Canadian Alliance of Student Associations (C.A.S.A.) or ("CASA") was incorporated without share capital as a not-for-profit organization under the laws of Canada on June 27, 1995. The mission of Organization to ensure that the students of Canada are full participants in defining the future of post-secondary education in Canada.

CASA is a non-profit organization and is exempt from income taxes under section 149(1)(f) of the Income Tax Act (Canada).

1. Significant accounting policies

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

Revenue recognition

The Organization follows the deferral method of accounting for contributions. 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.

Capital assets

Capital assets are accounted for at cost. Amortization is based on the assets' respective useful lives using the following method and rates:

Asset	Method	Rate
Computer equipment	Declining balance	45%
Furniture equipment	Declining balance	20%

One-half of the annual amount is claimed in the year of acquisition.

Internally restricted funds

Part of the Organization's net assets have been restricted as approved by the Board of Directors (the "Board"). Transfers between net asset classes are recorded when approved by the Board. The purpose of each class of net assets is as follows:

Contingency Fund

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

CANADIAN ALLIANCE OF STUDENT ASSOCIATIONS (C.A.S.A.)

Notes to the Financial Statements

April 30, 2021, with comparative figures for 2020

Federal Election Fund

The Federal Election Fund is reserved for Federal Election or non-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.

Capital Fund

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

Campaign Fund

The Campaign Fund is reserved for the purposes of funding national campaigns on post-secondary student issues.

Legal Contingency Fund

The Legal Contingency Fund is reserved for unforeseen legal costs or expenses.

Financial instruments

Measurement of financial instruments

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

The Organization subsequently measures all its financial assets and financial liabilities at amortized cost or cost less appropriate allowances for impairment.

Financial assets measured at amortized cost include cash and accounts receivable.

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

Impairment

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in net revenue. 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 net revenue.

CANADIAN ALLIANCE OF STUDENT ASSOCIATIONS (C.A.S.A.)

Notes to the Financial Statements

April 30, 2021, with comparative figures for 2020

2. Capital assets

	2021		2020	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Computer equipment	\$ 18,985	\$ 12,236	\$ 6,749	\$ 1,925
Furniture equipment	2,849	1,874	975	1,218
	\$ 21,834	\$ 14,110	\$ 7,724	\$ 3,143

3. Deferred revenue

Deferred revenue in fiscal year 2021 consists of membership fees paid in advance of the following year's membership obligation. These amounts are recognized as revenue when the year in which the applicable membership fee and conference occurs.

	2021	2020
Balance, beginning of year	\$ -	\$ 900
Less amounts recognized as revenue in the year	-	(900)
Plus amounts received related to the following year	19,942	-
Balance, end of year	\$ 19,942	\$ -

4. Commitments

The Organization rents office space under a lease agreement that extends to October 31, 2023. Annual lease payments are as follows:

2022	\$ 22,572
2023	23,116
2024	13,870
	\$ 59,558

Current annual operating and realty costs are approximately \$24,000 per year.

CANADIAN ALLIANCE OF STUDENT ASSOCIATIONS (C.A.S.A.)

Notes to the Financial Statements

April 30, 2021, with comparative figures for 2020

5. Internally restricted net assets

	Balance, beginning of year	Restricted in year	Used in year	Balance, end of year
Contingency Fund	\$ 213,993	\$ -	\$ -	\$ 213,993
Federal Election Fund	22,252	60,000	-	82,252
Capital Fund	44,000	-	-	44,000
Campaign Fund	50,000	40,000	-	90,000
Legal Contingency Fund	50,000	-	-	50,000
	\$ 380,245	\$ 100,000	\$ -	\$ 480,245

6. Changes in non-cash working capital balances

Changes in non-cash working capital balances have (used) provided cash as follows:

	2021	2020
Accounts receivable	\$ 23,462	\$ (23,527)
Prepaid expenses	12,838	(15,258)
Accounts payable and accrued liabilities	(3,034)	11,032
Deferred revenue	19,942	(900)
	\$ 53,208	\$ (28,653)

7. Credit facility

The Organization's credit facility consists of an RBC credit card with a limit of \$25,000, bearing interest at 19.99% per annum. The credit card is secured by a general security agreement. At April 30, 2021, there is \$Nil (2020: \$Nil) outstanding under the credit card.

CANADIAN ALLIANCE OF STUDENT ASSOCIATIONS (C.A.S.A.)

Notes to the Financial Statements

April 30, 2021, with comparative figures for 2020

8. Financial instruments

Risks and concentrations

The Organization is exposed to various risks through its financial instruments. The following analysis provides a measure of the risk exposures and concentrations at the statement of financial position date, April 30, 2021.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Organization's main credit risks relate to its accounts receivable. The Organization provides credit to its customers and members in the normal course of its operations.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Organization is exposed to this risk mainly in respect of its accounts payable and accrued liabilities. The Organization manages its liquidity risk by regularly monitoring forecasted and actual cash flow and financial liability maturities, and by holding assets that can be readily converted into cash. Accounts payable are normally paid within 30 days.

It is management's opinion that there have been no changes to risks since April 30, 2020.