

**Ontario Student Trustees'
Association
Financial Statements
For the year ended August 31, 2017**

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Independent Auditor's Report

To the Directors of Ontario Student Trustees' Association

Opinion

We have audited the financial statements of Ontario Students' Trustees Association (the "Association"), which comprise the statement of financial position as at August 31, 2017, and the statements of revenues and expenses and fund balance 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 Association as at August 31, 2017, 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.

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 Association 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 comparative financial statements for the year ended August 31, 2016 were audited by another auditor who expressed an unmodified opinion on January 15, 2017.

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 the financial statements, management is responsible for assessing the Association'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 Association or to cease operations, or has no realistic alternative but to do so.

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

Independent Auditor's Report (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 Association'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 Association'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 Entity 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.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants

Mississauga, Ontario

November 8, 2019

Ontario Student Trustees' Association
Statement of Financial Position

August 31 **2017** **2016**

Assets

Current

Cash	\$	68,649	\$	23,228
Accounts receivable		158		31,445
Prepaid expenses		3,186		4,000
		<hr/> 71,993		<hr/> 58,673

Long-term investments (Note 2)

30,000 -

Capital assets (Note 3)

1,262 1,426

\$ 103,255

\$ 60,099

Liabilities and Net Assets

Current

Accounts payable and accrued liabilities	\$	13,205	\$	6,081
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Net assets


90,050 54,018

\$ 103,255

\$ 60,099

On behalf of the Board:


_____ Director


_____ Director

Ontario Student Trustees' Association
Statement of Revenues and Expenses and Fund Balance

For the year ended August 31	2017	2016
Revenue		
Registrations	\$ 150,056	\$ 82,912
Board memberships	60,821	39,895
Other revenue	4,673	8,445
Sweater sales	960	760
Interest	5	4
	216,515	132,016
Expenses		
Travel	134,534	77,541
Office and general	28,995	21,821
Meals and entertainment	6,479	5,090
Fees and dues	5,944	2,927
Advertising	3,033	2,261
Sweater purchases	978	1,144
Volunteer	315	352
Amortization	164	163
Incorporation	41	41
	180,483	111,340
Excess of revenue over expenses	36,032	20,676
Net assets, beginning of year	54,018	33,342
Net assets, end of year	\$ 90,050	\$ 54,018

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

Ontario Student Trustees' Association Statement of Cash Flows

For the year ended August 31	2017	2016
Cash provided by (used in)		
Operating activities		
Excess of revenue over expenses for the year	\$ 36,032	\$ 20,676
Adjustment required to reconcile excess of revenue over expenses with net cash provided by operating activities		
Amortization of capital assets	164	163
Change in non-cash working capital balances		
Accounts receivable	31,287	(31,445)
Prepaid expenses	814	(2,000)
Accounts payable and accrued liabilities	7,124	(960)
	75,421	(13,566)
Investing activity		
Purchase of long-term investments	(30,000)	-
Increase (decrease) in cash during the year	45,421	(13,566)
Cash, beginning of year	23,228	36,794
Cash, end of year	\$ 68,649	\$ 23,228

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

Ontario Student Trustees' Association

Notes to Financial Statements

August 31, 2017

1. Significant Accounting Policies

Purpose of the Association

The Ontario Student Trustees' Association (the "Association") is a not-for-profit organization under the provisions of the Education Act and is exempt from income taxes. The Association is the largest stakeholder in education and is the voice for the student vision.

Basis of Accounting

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

Revenue Recognition

The Association follows the deferral method of accounting for contributions which include board membership fees and registration fees. Externally 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. Revenue from fees and memberships is recognized when the service is provided.

Capital Assets

Purchased capital assets are recorded at cost less accumulated amortization. Amortization is provided on a straight-line basis over the estimated useful lives as follows:

Banners and signage	8 to 10 years
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Financial Instruments

Upon initial recognition, financial instruments are recorded at fair value when acquired or issued, with any change in fair value reported in income. All other financial instruments are reported at cost or amortized cost less impairment, if applicable. Financial assets are tested for impairment when changes in circumstances indicate the asset could be impaired. Transaction costs on the acquisition, sale or issue of financial instruments are expensed for those items remeasured at fair value at each statement of financial position date and charged to the financial instrument for those measured at amortized cost.

Ontario Student Trustees' Association Notes to Financial Statements

August 31, 2017

2. Long-term Investments

The Association has Guaranteed Investment Certificates of \$30,000 maturing in March 2020. Interest is paid annually or at maturity with effective interest rates between 0.25% and 0.95% per annum.

3. Capital Assets

	2017		2016	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Banners and signage	\$ 1,637	\$ 375	\$ 1,637	\$ 211
Net book value		<u>\$ 1,262</u>		<u>\$ 1,426</u>

4. Capital Management

The Association defined capital as its net assets. The Association is not subject to any externally imposed capital requirements.

OSTA-AECCO Notes to Audited Financial Statements

The Ontario Student Trustees' Association—l'Association des élèves conseillers et conseillères de l'Ontario (OSTA-AECCO) is one of the largest student educational stakeholders in Canada, representing over two million students province-wide. The organization maintains internal procedures that promote and sustain fiscal management, accountability, risk mitigation, long-term sustainability, and social responsibility. Furthermore, as a publicly funded not-for-profit corporation, OSTA-AECCO conducts external financial audits in accordance with the not-for-profit corporations act and other regulatory requirements.

OSTA-AECCO strives to provide financial transparency to its stakeholders. The composition of the organization's consolidated financial accounts and allocation of funds has been provided below.

Travel includes:

- all travel costs to attend internal and external meetings with member school boards, partners in education, and members of government;
- all conference expenditures, including meetings and accommodations, for the OSTA-AECCO Fall General Meeting, Board Council Conference, and Annual General Meeting; and
- funding for the OSTA Supports Equity Grants program.

Office and General includes:

- administrative expenses including mailing, storage, delivery, and printing expenses;
- foundational enterprise expenses including financial, legal, and IT expenses; and
- funding for the OSTA-AECCO Student Trustee and Student Voice scholarship awards.

Meals and Entertainment includes:

- expenses relating to meal per diem reimbursements for business travel;
- training and professional development expenditures for student trustees; and
- investments in educational partner relationships.

For any questions relating to the audited financial statements, please contact our Finance Department.

Sincerely,



Alex MacDonald
Treasurer, Board of Directors
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Jacob Pullia,
Financial Advisor, Board of Directors
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