

**ATHABASCA UNIVERSITY GRADUATE STUDENTS' ASSOCIATION**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2023**

**ATHABASCA UNIVERSITY GRADUATE STUDENTS' ASSOCIATION**  
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**DECEMBER 31, 2023**

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## INDEPENDENT AUDITOR'S REPORT

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### **To the Members of Athabasca University Graduate Students' Association**

#### *Opinion*

We have audited the financial statements of Athabasca University Graduate Students' Association (the "Association") which comprise the statement of financial position as at December 31, 2023, and the statement of operations, statement of changes in net assets and statement of 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 December 31, 2023, and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO").

#### *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 financial statements of Athabasca University Graduate Students' Association for the year ended December 31, 2022 were audited by another auditor who expressed an unqualified opinion on those statements on June 2, 2023.

#### *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 ASNPO, 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.

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## INDEPENDENT AUDITOR'S REPORT, continued

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### *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 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 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 Association 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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**INDEPENDENT AUDITOR'S REPORT, continued**

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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.

**CALGARY, ALBERTA  
MARCH 19, 2024**

*Baker Tilly Catalyst LLP*  
**CHARTERED PROFESSIONAL  
ACCOUNTANTS**

**ATHABASCA UNIVERSITY GRADUATE STUDENTS' ASSOCIATION**  
**STATEMENT OF FINANCIAL POSITION**  
**DECEMBER 31, 2023**

	<b>2023</b>	<b>2022</b>
<b>Assets</b>		
<b>Current</b>		
Cash	\$ 435,724	\$ 455,307
Restricted cash (Note 3)	17,364	-
Accounts receivable (Note 4)	22,386	15,338
Short-term investments (Note 5)	109,263	105,452
Prepaid expenses	8,873	16,173
	593,610	592,270
<b>Capital assets (Note 6)</b>	3,474	5,393
	<b>\$ 597,084</b>	<b>\$ 597,663</b>
<b>Liabilities</b>		
<b>Current</b>		
Accounts payable and accrued liabilities	\$ 23,726	\$ 27,034
Deferred revenue (Note 3)	17,364	27,200
	41,090	54,234
<b>Net assets</b>		
General fund	555,994	543,429
	<b>\$ 597,084</b>	<b>\$ 597,663</b>

**Economic dependence (Note 4)**

Approved on behalf of the board



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Director

*Brittany Hollett*

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Director

**ATHABASCA UNIVERSITY GRADUATE STUDENTS' ASSOCIATION**  
**STATEMENT OF OPERATIONS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

	<b>2023</b>	<b>2022</b>
<b>Revenues</b>		
Student union fees (Note 4)	\$ 399,867	\$ 401,867
Donations	27,200	59,700
Conference	9,505	2,629
	436,572	464,196
<b>Expenditures</b>		
Salaries, wages and benefits	162,602	233,948
Council honorariums	84,400	39,600
Grants and awards	72,343	64,200
Travel	30,410	33,683
Professional fees	25,039	25,861
Office	24,553	32,007
Memberships	8,705	8,462
Insurance	8,496	7,208
Training and staff development	7,588	1,219
Amortization	1,919	3,126
Telephone	1,505	1,872
Interest and bank charges	257	215
	427,817	451,401
	8,755	12,795
<b>Other income</b>		
Interest income	3,810	1,115
	\$ 12,565	\$ 13,910
<b>Excess of revenue over expenditures</b>		

The accompanying notes are an integral part of the financial statements

**ATHABASCA UNIVERSITY GRADUATE STUDENTS' ASSOCIATION**  
**STATEMENT OF CHANGES IN NET ASSETS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

	<b>General Fund</b>	<b>2023</b>	<b>2022</b>
<b>Balance, beginning of year</b>	\$ 543,429	\$ 543,429	\$ 529,519
<b>Excess of revenue over expenditures</b>	12,565	-	13,910
<b>Balance, ending of year</b>	\$ 555,994	\$ 543,429	\$ 543,429

The accompanying notes are an integral part of the financial statements



**ATHABASCA UNIVERSITY GRADUATE STUDENTS' ASSOCIATION**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

	<b>2023</b>	<b>2022</b>
<b>Cash flows from operating activities</b>		
Excess of revenue over expenses	\$ 12,565	\$ 13,910
Adjustments for		
Amortization	1,919	3,126
	14,484	17,036
Change in non-cash working capital items		
Accounts receivable	(7,048)	10,574
Prepaid expenses	7,300	(7,542)
Accounts payable and accrued liabilities	(3,308)	4,492
Deferred revenue	(9,836)	(59,700)
	1,592	(35,140)
<b>Cash flows from investing activities</b>		
Purchase of capital assets	-	(2,604)
Purchase of investments	(109,263)	(105,452)
Proceeds from sale of investments	105,452	104,349
	(3,811)	(3,707)
<b>Decrease in cash</b>	(2,219)	(38,847)
<b>Cash, beginning of year</b>	455,307	494,154
<b>Cash, end of year</b>	\$ 453,088	\$ 455,307

The accompanying notes are an integral part of the financial statements

**ATHABASCA UNIVERSITY GRADUATE STUDENTS' ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

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**1. Nature of operations**

Athabasca University Graduate Students' Association (the "Association") is established under section 94 of the Post-Secondary Learning Act as a not-for-profit organization that fosters a cohesive graduate student community, acts as an advocate for graduate students, and builds a positive relationship with the University of Athabasca. The Association qualifies for the tax-exempt status under paragraph 149(1)(k) under the Income Tax Act of Canada.

**2. Significant accounting policies**

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The significant policies are detailed as follows:

**(a) Cash**

Cash is defined as cash on hand and cash on deposit, net of cheques issued and outstanding at year-end.

Restricted cash consists of externally restricted funds held in the operating account.

**(b) Capital assets**

Capital assets are recorded at cost. The Association provides for amortization using the declining balance method at rates designed to amortize the cost of the capital assets over their estimated useful lives. The annual amortization rates are as follows:

Furniture and fixtures	20%
Computer equipment	50%

**ATHABASCA UNIVERSITY GRADUATE STUDENTS' ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**2. Significant accounting policies, continued**

**(c) Financial instruments**

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

The Association subsequently measures all its financial assets and financial liabilities at amortized cost.

Financial assets measured at amortized cost include cash, short-term investments, and accounts receivable.

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

The Association has not designated any financial asset or financial liability to be measured at fair value.

**(d) Financial asset 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 operations. 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 operations.

**(e) Revenue recognition**

The Association follows the deferral method for accounting for contributions.

Unrestricted contributions are recognized when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Other income is unrestricted and recognized in the period earned.

Funds received for projects with external restrictions are recorded to deferred revenue and subsequently recorded to revenue when funds are expended.

**ATHABASCA UNIVERSITY GRADUATE STUDENTS' ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**2. Significant accounting policies, continued**

**(f) Measurement uncertainty**

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 period. Significant areas requiring the use of estimates include: useful lives of capital assets. Actual results may differ from management's best estimates as additional information becomes available in the future.

**3. Deferred revenue**

	<b>2023</b>	<b>2022</b>
Conference funds	\$ 17,364	\$ -
Bursaries donation	-	27,200
	\$ 17,364	\$ 27,200

**4. Economic dependence**

The Association received \$399,867 (91%) of their revenue (2022 - \$401,867 - (87%)) from the University of Athabasca. 100% of amounts recorded in accounts receivable are due from the University of Athabasca (2022 - 100%).

**5. Short-term investments**

The Association is equally invested in two term deposits earning interest at a rate of 4% per annum, maturing on January 12, 2024 and April 5, 2024. The deposits are typically reinvested for a term of 100 days upon maturity.

**ATHABASCA UNIVERSITY GRADUATE STUDENTS' ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

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6. **Capital assets**

	Cost	Accumulated Amortization	2023 Net Book Value	2022 Net Book Value
Furniture and fixtures	\$ 3,202	\$ 1,129	\$ 2,073	\$ 2,591
Computer equipment	12,906	11,505	1,401	2,802
	\$ 16,108	\$ 12,634	\$ 3,474	\$ 5,393

7. **Financial instruments**

Transactions in financial instruments may result in an entity assuming or transferring to another party one or more of the financial risks described below. The required disclosures provide information that assists users of financial statements in assessing the extent of risk related to financial instruments.

(a) **Liquidity risk**

Liquidity risk is the risk that the Association will encounter difficulty in meeting obligations associated with financial liabilities. The Association is exposed to this risk mainly in respect of its accounts payable and accrued liabilities.

(b) **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 Association is exposed to interest rate risk on its fixed interest rate financial instruments. Fixed-rate financial instruments subject the Association to a fair value risk.

Unless otherwise noted, it is management's opinion that the Association is not exposed to significant other price risks arising from these financial instruments.