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THE STUDENTS' ASSOCIATION OF OLDS COLLEGE

4500 - 50th Street
Olds, AB
T4H 1R6

August 31, 2023
Confidential

STOUTENBERG & COMPANY
CHARTERED PROFESSIONAL ACCOUNTANTS
#102, 5037 - 50th Street
Olds Alberta T4H 1R8

Attention: Krystal Stoutenberg, CPA, CA

Dear Madam:

Re: Management representations letter

This representation letter is provided in connection with your audit of the financial statements of The Students' Association of Olds College for the year ended March 31, 2023, for the purpose of you expressing an opinion as to whether the financial statements is presented fairly, in all material respects, in accordance with Canadian accounting standards for not-for-profit organizations

In making the representations outlined below, we took the time necessary to appropriately inform ourselves on the subject matter through inquiries of entity personnel with relevant knowledge and experience, and, where appropriate, by inspecting supporting documentation.

We confirm that (to the best of our knowledge and belief):

We have fulfilled our responsibilities, as set out in the terms of the audit engagement dated April 3, 2023 for:

a. Preparing and fairly presenting the financial statements in accordance with Canadian accounting standards for not-for-profit organizations;

b. Providing you with:

   i. Access to all information of which we are aware that is relevant to the preparation of the financial statements, such as:

      A. Accounting records, supporting data and other relevant documentation,

      B. Minutes of meetings (such as shareholders, board of directors and audit committees) or summaries of actions taken for which minutes have not yet been prepared, and

      C. Information on any other matters, of which we are aware, that is relevant to the preparation of the financial statements;

   ii. Additional information that you have requested from us for the purpose of the audit; and

   iii. Unrestricted access to persons within the entity from whom you determine it necessary to obtain audit evidence.

c. Ensuring that all transactions have been recorded in the accounting records and are reflected in the financial statements; and

d. Designing and implementing such internal control as we determined is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. We have also communicated to you any deficiencies in the design and implementation or the maintenance of internal control over financial reporting of which management is aware.

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(continued)

Fraud and Non Compliance

We have disclosed to you:

a. All of our knowledge in relation to actual, alleged or suspected fraud affecting the entity's financial statements involving:

   i. Management;

   ii. Employees who have significant roles in internal control; or

   iii. Others where the fraud could have a material effect on the financial statements;

b. All of our knowledge in relation to allegations of fraud or suspected fraud communicated by employees, former employees, analysts, regulators or others;

c. All known instances of non-compliance or suspected non-compliance with laws and regulations, including all aspects of contractual agreements that should be considered when preparing the financial statements;

d. All known, actual, or possible litigation and claims that should be considered when preparing the financial statements; and

e. The results of our risk assessments regarding possible fraud or error in the financial statements.

Related Parties

We have disclosed to you the identity of all of the Organization's related-party relationships and transactions of which we are aware. This includes sales, purchases, loans, transfers of assets, liabilities and services, leasing agreements, guarantees, non-monetary transactions, and transactions for no consideration for the period ended as well as related balances due to or from such parties at the period end.

All related-party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of Canadian accounting standards for not-for-profit organizations.

Estimates

We acknowledge our responsibility for determining the accounting estimates required for the preparation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations. Those estimates reflect our judgment based on our knowledge and experience of past and current events, and on our assumptions about conditions we expect to exist and courses of action we expect to take. We confirm that the significant assumptions and measurement methods used by us in making accounting estimates, including those measured at fair value, are reasonable.

Subsequent Events

All events subsequent to the date of the financial statements and for which Canadian accounting standards for not-for-profit organizations requires adjustment or disclosure have been adjusted or disclosed.

Commitments and Contingencies

There are no commitments, contingent liabilities/assets or guarantees (written or oral) that should be disclosed in the financial statements. This includes liabilities arising from contract terms, illegal acts or possible illegal acts, and environmental matters that would have an impact on the financial statements.

Adjustments

We have reviewed, approved and recorded all of your proposed adjustments to our accounting records. This includes journal entries, changes to account coding, classification of certain transactions and preparation of, or changes to, certain accounting records.

Accounting policies

All significant accounting policies are disclosed in the financial statements and are consistent with those used in the previous period.

Contractual compliance

We have complied with the terms and conditions of all contractual agreements that could have a material effect, in the event of non-compliance, on the financial statements.

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(continued)

Financial instruments

We have properly recorded all financial assets of equity instruments quoted on an active market at fair value.

Off-balance sheet derivative financial instruments (e.g., futures, options and swaps), including outstanding commitments to purchase or sell securities, assets and/or commodities under forward placement and standby commitments, and information regarding the terms and conditions, interest rate risk, credit risk and foreign exchange risk of financial instruments held at period end have been properly recorded and, when appropriate, adequately disclosed within the financial statements. We confirm that the significant assumptions used in arriving at the fair values of financial instruments, as measured and disclosed (when required) in the financial statements, are reasonable and appropriate in the circumstances.

We have evaluated whether there are indicators of impairment for all financial assets measured at cost or amortized cost, and where there has been a significant adverse change in the expected timing or amount of future cash flows from a financial asset or group of similar financial assets, we have assessed whether a reduction in the carrying value is necessary.

When an impairment is necessary, the carrying amount of the asset, or group of assets, has been reduced to the highest of the cash flows expected to be generated by holding the asset, the amount that could be realized by selling the asset and the amount that the entity expects to realize by exercising any right to collateral held to secure repayment of the asset net of all costs necessary to exercise those rights. The amount of the decline in fair value has been included in net income in the period incurred.

Inventories

Inventories were measured at the lower of actual cost and net realizable value.

Inventories were measured on the same basis and were determined in the same manner as inventories at the end of the preceding period.

Journal entries

We have approved all journal entries and other adjustments proposed by you, and they have been included in our financial statements.

Liabilities and contingencies

All liabilities and contingencies, including those associated with guarantees, whether written or oral, have been disclosed to you and are appropriately reflected in the financial statements.

Property, plant and equipment

Property, plant and equipment are recorded at cost. We have good and valid title to all items of property and equipment reflected in the accounts relating thereto, and there are no liens or encumbrances on our assets. During the period ended March 31, 2023, no material amounts relating to additions or improvements of property, plant and equipment were charged to expense. The provision for amortization is based on the cost and expected economic useful lives of the property using the declining balance method.

The property, leasehold improvement and equipment accounts, and the related allowances for amortization have been adjusted for all important items of such assets that were idle, obsolete, sold, dismantled, abandoned or otherwise disposed of for the period ended March 31, 2023 and for all prior periods.

We have evaluated property, plant and equipment for recoverability in accordance with the provisions of the CPA Canada Handbook – Accounting, Part II, Section 3063 (Impairment of Long-Lived Assets). Impairment losses have been recognized in earnings when required.

Subsequent events

There have been no events between the balance sheet date and the date of this letter that would require recognition or disclosure in the financial statements.

None of the members were in debt to the Organization

None of the members were in debt to the Organization, other than in the ordinary course of business at the period-end or at any time during the period.

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(continued)

Management fees, wages or bonuses paid to (or accrued on behalf of) related parties

All management fees, bonuses or other remuneration paid to or accrued on behalf of members or related parties represent the fair market value of services performed for, or goods provided to, the Organization.

Acknowledged and agreed on behalf of The Students' Association of Olds College by:

DocuSigned by:
Liam Hunter
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August 31, 2023
Date signed

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The Students' Association of Olds College

DFC1

Year End: March 31, 2023
Adjusting Journal Entries
Date: 2022-04-01 To 2023-03-31

Number	Date	Name	Account No	Debit	Credit
1	2023-03-31	Retained Earnings (opening) - Building Fund	3500 0		20,347.42
1	2023-03-31	Retained Earnings (opening) - General Fund	3501 0		110,172.08
1	2023-03-31	Retained Earnings (opening) - Residence Fund	3503 0	160.00	
1	2023-03-31	Retained Earnings (opening) - Pub Fund	3504 0	70,915.22	
1	2023-03-31	Retained Earnings (opening) - ATM Fund	3506 0		
1	2023-03-31	Reserve (opening) - Alumni Centre	3520 0		1,050.00
1	2023-03-31	Reserve (opening) - Health & Dental Fund	3530 0		61,587.66
1	2023-03-31	Retained earnings - previous year	3560 0	122,081.94	
		To allocate prior year net revenue and agree opening net asset balances to prior year financial statements			
2	2023-03-31	Inventory - The Crossing	1610 0		7,422.09
2	2023-03-31	Inventory - The Crossing	1610 0	9,647.49	
2	2023-03-31	Inventory change	5358 PF		2,225.40
		To record change in food & beverage inventory at March 31, 2023 per count			
3	2023-03-31	Accounts Receivable	1210 0		5,000.00
3	2023-03-31	Accounts Receivable - Allowance for Doubtful A	1212 0	5,000.00	
		To reverse record prior year Olds College receivable which was posted when paid in current year			
4	2023-03-31	1998-493 BMO - OCSA	1050 0	19,099.13	
4	2023-03-31	Health & Dental Expense	5125 HADF		19,099.13
		To reverse Gallivan invoice posted in J486 & J495 for September 2022			
5	2023-03-31	Deferred Contribution Agreement	1945 0		52,500.00
5	2023-03-31	Contribution Agreement with OC	2950 0	52,500.00	
		To record deferred contributions per agreement schedule			
6	2023-03-31	Accum. Amort. - Computer Hardware	1846 0		282.51
6	2023-03-31	Accum. Amortization - Pub	1881 0		3,773.78
6	2023-03-31	Accum. Amortization - General	2060 0		2,062.02
6	2023-03-31	Amortization Expense - General	5262 GF	2,344.53	
6	2023-03-31	Amortization Expense - The Crossing	5388 PF	3,773.78	
		To record amortization			

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The Students' Association of Olds College

DFC1-1

Year End: March 31, 2023
Adjusting Journal Entries
Date: 2022-04-01 To 2023-03-31

Number	Date	Name	Account No	Debit	Credit
7	2023-03-31	Health & Dental student fees	4025 HADF	14.01	
7	2023-03-31	Building Fund Expenses	5030 BF		7.14
7	2023-03-31	Student Svs & Community Engagement	5051 GF		6.87
		To correct posting of H&D fee refunds (J1228)			
8	2023-03-31	Accounts Payable	2100 0	4,194.27	
8	2023-03-31	Accounts Payable	2101 0	9,008.34	
8	2023-03-31	Accounts Payable	2101 0		16,205.22
8	2023-03-31	GST Paid on Purchases	2315 0		628.70
8	2023-03-31	GST Paid on Purchases	2315 0	388.27	
8	2023-03-31	Liquor Purchases - The Crossing	5302 PF		12,573.91
8	2023-03-31	Liquor Purchases - The Crossing	5302 PF	6,760.91	
8	2023-03-31	Food Purchases - The Crossing	5350 PF	9,056.04	
		To reverse prior year pub purchases accrual and record current year pub purchases paid after YE but dated March 2023			
9	2023-03-31	CRA arrears and penalties payable	2192 0		804.46
9	2023-03-31	Bank Charges & Interest - General	5284 GF	804.46	
		To accrue CRA arrears and late-filing penalties (payroll)			
10	2023-03-31	Accruals	2110 0	47,608.38	
10	2023-03-31	Accruals	2110 0		47,281.79
10	2023-03-31	Health & Dental Expense	5125 HADF		1,435.89
10	2023-03-31	Accounting & Legal - Gen.	5212 GF	975.00	
10	2023-03-31	Office Supplies - General	5292 GF	290.38	
10	2023-03-31	Wages & Salaries - General	5410 GF		156.08
		To adjust accrued liabilities for year-end			
11	2023-03-31	Due to Olds College - prior years	2150 0	8,724.84	
11	2023-03-31	Due (to) from Olds College - current fees	2151 0		97,485.56
11	2023-03-31	Student Fees Revenue	4020 GF	13,471.05	
11	2023-03-31	Health & Dental student fees	4025 HADF	74,005.00	
11	2023-03-31	Health & Dental student fees	4025 HADF	38.90	
11	2023-03-31	Building Fund student fees	4030 BF	870.00	
11	2023-03-31	Building Fund student fees	4030 BF	137.50	
11	2023-03-31	Special Events Expense - Olds Campus	5271 GF	238.27	
		To record Olds College payable			

The Students' Association of Olds College

DFC1-2

Year End: March 31, 2023
Adjusting Journal Entries
Date: 2022-04-01 To 2023-03-31

Number	Date	Name	Account No	Debit	Credit
		invoices per listing (NOTE to bookkeeper: these sum to $100,498.38 which was paid June 29, 2023)			
12	2023-03-31	Deferred grant revenue	2165 0		5,000.00
12	2023-03-31	Deferred grant revenue	2165 0	1,974.17	
12	2023-03-31	Special Events Expense - Olds Campus	5271 GF	3,025.83	
		To categorize deposits from Olds College and recognize deferred mental health revenue			
13	2023-03-31	Deferred Health & Dental Revenue	2160 0		3,410.89
13	2023-03-31	Health & Dental student fees	4025 HADF	3,410.89	
		To adjust deferred health & dental fee revenue as per continuity calculation			
				470,518.60	**470,518.60**

Net Income (Loss) **0.00**

DocuSigned by:
Liam Hunter
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Approved: _____

Approved: _____

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THE STUDENTS' ASSOCIATION OF OLDS COLLEGE

Financial Statements

Year Ended March 31, 2023

STOUTENBERG
& COMPANY
CHARTERED PROFESSIONAL ACCOUNTANTS

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STOUTENBERG & COMPANY*
CHARTERED PROFESSIONAL ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To the Members of The Students' Association of Olds College

Opinion

We have audited the financial statements of The Students' Association of Olds College (the Organization), which comprise the statement of financial position as at March 31, 2023, and the statements of changes in net assets, revenues and expenses 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 Organization as at March 31, 2023, and the results of its operations and 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 Organization in accordance with 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 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 Organization'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 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.

(continues)

#102, 5037 - 50th Street, Olds, Alberta T4H 1R8
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*Professional Corporation

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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 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.

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.

Stautenberg + Company P.C.

Olds, Alberta
August 31, 2023

CHARTERED PROFESSIONAL ACCOUNTANTS

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THE STUDENTS' ASSOCIATION OF OLDS COLLEGE

Statement of Financial Position

As at March 31, 2023

	2023	2022
ASSETS		
CURRENT		
Cash	$ 979,854	$ 748,768
Accounts receivable	2,338	-
Inventory	9,647	7,422
Current portion of deferred contributions *(Note 7)*	52,500	52,500
	1,044,339	808,690
PROPERTY, PLANT AND EQUIPMENT *(Note 3)*	53,369	59,487
DEFERRED CONTRIBUTIONS *(Note 7)*	735,000	787,500
	$ 1,832,708	$ 1,655,677
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities	$ 173,520	$ 79,876
Employee deductions payable	8,675	5,923
Goods and services tax payable	4,177	2,436
Deferred grant revenue	23,820	20,794
Deferred health and dental plan revenue *(Note 5)*	126,172	122,761
Funds held on behalf of clubs *(Note 6)*	15,240	19,527
Current portion of comittments *(Note 7)*	52,500	52,500
	404,104	303,817
LONG TERM COMITTMENT *(Note 7)*	735,000	787,500
	1,139,104	1,091,317
NET ASSETS		
Unrestricted Net Assets *(Note 8)*	46,491	(13,650)
Restricted for Student Alumni Centre *(Note 9)*	216,911	216,561
Restricted for Student Health and Dental *(Note 5)*	430,202	361,449
	693,604	564,360
	$ 1,832,708	$ 1,655,677

ON BEHALF OF THE BOARD

DocuSigned by:
Liam Hunter
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Director

Director

See notes to financial statements

STOUTENBERG & COMPANY
CHARTERED PROFESSIONAL ACCOUNTANTS

THE STUDENTS' ASSOCIATION OF OLDS COLLEGE

Statement of Changes in Net Assets

Year Ended March 31, 2023

	Unrestricted Net Assets	Restricted for Student Alumni Centre	Restricted for Student Health and Dental	2023	2022
NET ASSETS - BEGINNING OF YEAR	$ (13,650)	$ 216,561	$ 361,449	$ 564,360	$ 442,280
Excess of revenues over expenses for the year	60,141	350	68,753	129,244	122,080
NET ASSETS - END OF YEAR	$ 46,491	$ 216,911	$ 430,202	$ 693,604	$ 564,360

See notes to financial statements

STOUTENBERG & COMPANY
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THE STUDENTS' ASSOCIATION OF OLDS COLLEGE

Statement of Revenues and Expenses

Year Ended March 31, 2023

	Unrestricted 2023	Student Alumni Centre 2022	Student Health and Dental 2023	Total 2023	Total 2021
REVENUES					
Unrestricted revenue (schedule 1)	$ **855,099**	$ -	$ -	$ 855,099	$ 661,512
Student health and dental premiums	-	-	299,401	299,401	291,700
Rent	-	350	-	350	1,050
	855,099	350	299,401	1,154,850	954,262
EXPENSES					
Unrestricted expenses (schedule 2)	**742,458**	-	-	742,458	549,569
Student health and dental plan costs	-	-	230,648	230,648	230,113
Contribution to Olds College	**52,500**	-	-	52,500	52,500
	794,958	-	230,648	1,025,606	832,182
EXCESS OF REVENUES OVER EXPENSES	$ **60,141**	$ 350	$ 68,753	$ 129,244	$ 122,080

See notes to financial statements

STOUTENBERG & COMPANY
CHARTERED PROFESSIONAL ACCOUNTANTS

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THE STUDENTS' ASSOCIATION OF OLDS COLLEGE

Unrestricted Revenue *(Schedule 1)*

Year Ended March 31, 2023

	General Fund 2023	Building Fund 2023	Yearbook Fund 2023	Residence Fund 2023	Pub Fund 2023	ATM Fund 2023	**Total Unrestricted 2023**	Total Unrestricted 2022
REVENUE								
Student fees	$ 481,421	$ 3,285	$ -	$ -	$ -	$ -	**$ 484,706**	$ 404,414
Pub sales	-	-	-	-	363,383	-	**363,383**	236,242
Student services & community engagement fees	7,010	-	-	-	-	-	**7,010**	19,628
Graduation	-	-	-	-	-	-	**-**	1,228
	$ 488,431	$ 3,285	$ -	$ -	$ 363,383	$ -	**$ 855,099**	$ 661,512

See notes to financial statements

STOUTENBERG & COMPANY
CHARTERED PROFESSIONAL ACCOUNTANTS

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THE STUDENTS' ASSOCIATION OF OLDS COLLEGE

Unrestricted Expenses *(Schedule 2)*

Year Ended March 31, 2023

	General Fund 2023	Building Fund 2023	Yearbook Fund 2023	Residence Fund 2023	Pub Fund 2023	ATM Fund 2023	**Total Unrestricted 2023**	Total Unrestricted 2022
EXPENSES								
Wages and benefits	$ 121,719	$ -	$ -	$ -	$ 185,367	$ -	**$ 307,086**	$ 275,528
Honorariums	67,700	-	-	-	-	-	**67,700**	8,600
Office supplies and postage	23,735	-	-	-	9,207	-	**32,941**	28,607
Contracted services	18,923	-	-	-	-	-	**18,923**	11,204
Insurance	17,401	-	-	-	350	-	**17,751**	14,884
Awards	16,400	-	-	-	-	-	**16,400**	8,319
Professional fees	14,475	-	-	-	-	-	**14,475**	14,074
Memberships	9,364	-	-	-	-	-	**9,364**	8,533
Functions	6,353	-	-	-	-	-	**6,353**	6,832
Travel and meals	4,171	-	-	-	829	-	**5,000**	4,583
Education and conferences	3,535	-	-	-	-	-	**3,535**	2,862
Amortization	2,345	-	-	-	3,774	-	**6,118**	6,861
Advertising and promotion	2,315	-	-	-	-	-	**2,315**	2,812
Student Swag	1,489	-	-	-	-	-	**1,489**	15,099
Student services & community engagement	859	-	-	-	-	-	**859**	225
Graduation	-	-	-	-	-	-	**-**	3,750
Pub purchases	-	-	-	-	209,169	-	**209,169**	130,553
Repairs and maintenance	-	-	-	-	17,778	-	**17,778**	4,466
Interest and bank charges	-	-	-	-	4,119	-	**4,119**	1,777
Business taxes, licenses and memberships	-	-	-	-	1,083	-	**1,083**	-
	$ 310,784	$ -	$ -	$ -	$ 431,676	$ -	**$ 742,458**	$ 549,569

See notes to financial statements

STOUTENBERG & COMPANY
CHARTERED PROFESSIONAL ACCOUNTANTS

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THE STUDENTS' ASSOCIATION OF OLDS COLLEGE

Statement of Cash Flows

Year Ended March 31, 2023

	2023	2022
OPERATING ACTIVITIES		
Excess of revenues over expenses for the year	$ 129,244	$ 122,080
Items not affecting cash:		
Amortization of property, plant and equipment	6,118	6,861
Loss on disposal of property, plant and equipment	-	870
	135,362	129,811
Changes in non-cash working capital:		
Accounts receivable	(2,338)	-
Inventory	(2,225)	4,646
Accounts payable and accrued liabilities	93,644	9,540
Goods and services tax payable	1,741	3,876
Deferred health and dental plan revenue	3,411	2,925
Employee deductions payable	2,752	3,372
Deferred grant revenue	3,026	5,000
Funds held on behalf of clubs	(4,287)	4,504
	95,724	33,863
Cash flow from operating activities	231,086	163,674
INVESTING ACTIVITY		
Proceeds on disposal of property, plant and equipment	-	1,104
Cash flow from investing activity	-	1,104
INCREASE IN CASH FLOW	231,086	164,778
Cash - beginning of year	748,768	583,990
CASH - END OF YEAR	$ 979,854	$ 748,768
CASH FLOWS SUPPLEMENTARY INFORMATION		
Interest received	$ -	$ -
Interest paid	$ 4,119	$ 1,777
Income taxes recovered	$ -	$ -

See notes to financial statements

STOUTENBERG & COMPANY
CHARTERED PROFESSIONAL ACCOUNTANTS

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1. PURPOSE OF THE ORGANIZATION AND NATURE OF ITS OPERATIONS

The Students' Association of Olds College (SAOC) is a not for profit organization incorporated under the Post-Secondary Learning Act of Alberta without share capital and has tax exempt status under section 149(l) of the Income Tax Act.

The mission of SAOC is to represent and support the students of Olds College through accountable, unified leadership to enhance student life.

The responsibilities of the organization include but are not limited to:
a) Advocating on behalf of students to enhance life on campus;
b) Overseeing the student health and dental plan;
c) Aiding in the management of student mental health and well being on campus;
d) Ensuring community engagement opportunities between Olds College students and the Town of Olds and surrounding areas;
e) Operating the campus restaurant and pub;
f) Providing scholastic awards.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO).

Fund descriptions

The Students' Association of Olds College follows the deferral method of accounting for contributions within each of the following funds.

The General Fund is an unrestricted fund which accounts for all general administrative activity including revenue and expenses relating to graduation, student handbook and special functions. Activities of each of these respective funds include revenue and expense directly related to the activities associated with the name of the fund

During the year, the SAOC determined that the Yearbook fund, Residence fund, and ATM fund are no longer required allocations. These funds remain unrestricted net assets and have been added to the General fund.

The Student Alumni Centre Fund is a restricted fund which accounts for revenue and expenses directly relating to SAOC's share of renting the student alumni centre.

The Student Health and Dental Fund is a restricted fund which accounts for revenue specifically collected for and expenses specifically incurred for student health and dental costs.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Revenue recognition

The Students' Association of Olds College follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Restricted contributions include student fees collected for the Health and Dental plan and rent collected for the alumni centre.

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. Unrestricted contributions include student fees for all services (other than the Health and Dental plan) , pub sales, grants for operating activities, revenue collected for student functions and advertising in student publications.

Investment income is recognized as revenue when earned.

Contributed services

The operations of the organization depend on both the contribution of time by volunteers and donated materials from various sources. The fair value of donated materials and services cannot be reasonably determined and are therefore not reflected in these financial statements.

Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

A significant financial statement item requiring a management estimate pertains to the extent to which health and dental plan revenue collected relates to expenses incurred. It is the intention of management to operate the plan on a claims recovery basis whereby the premiums charged to the students at the beginning of the coverage year are estimated to be equal to the claims likely to be submitted. As such, deferred student healt and dental revenue is prorated based on the fees collected and the remaining coverage term.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Inventory

Inventory is valued at the lower of cost and net realizable value with the cost being determined on a first-in, first-out basis.

Property, plant and equipment

Property, plant and equipment is stated at cost or deemed cost less accumulated amortization and is amortized over its estimated useful life on a declining balance basis at the following rates and methods:

Buildings	2.5%	declining balance method
Equipment	10%	declining balance method
Automotive equipment	15%	declining balance method
Computer equipment	25%	declining balance method

3. PROPERTY, PLANT AND EQUIPMENT

	Cost	Accumulated amortization	**2023 Net book value**	2022 Net book value
General fund equipment	$ 145,046	$ 125,641	**$ 19,405**	$ 21,750
Pub fund equipment	109,569	75,605	**33,964**	37,737
Residence fund capital assets	17,272	17,272	-	-
Year book fund capital assets	10,968	10,968	-	-
	$ 282,855	$ 229,486	**$ 53,369**	$ 59,487

4. DEFERRED GRANT REVENUE

The deferred grant relates to a Government of Alberta grant to be used for mental health initiatives. The revenue will be recognized as mental health expenses are incurred.

5. DEFERRED STUDENT HEALTH AND DENTAL PLAN REVENUE

SAOC has entered into a contract with Gallivan & Associates Student Network Inc. for the provision of a student health and dental plan. Student health and dental plan fees are assessed by Olds College on behalf of SAOC upon program registration and coverage begins on the first day of the month that each student's program begins. Coverage is provided for a period of twelve months.

Deferred student health and dental plan revenue represents the prorated portion of the premiums received from the fiscal year end until the end of the coverage term. Premium costs payable by SAOC until the coverage period ends in August 2023 is estimated to be $126,172 (2022 - $122,761).

The balance of net assets for the student health and dental fund represents the excess of premiums received over coverage costs. The amount is restricted as it can only be used for the future benefit of those participating in the student health and dental plan.

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6. FUNDS HELD ON BEHALF OF ASSOCIATION CLUBS

Funds held on behalf of association clubs are non-interest bearing with no set payment terms.

7. LONG TERM COMMITMENTS AND DEFERRED CONTRIBUTIONS

SAOC has entered into a contribution and recognition agreement with Olds College whereby SAOC has agreed to contribute $1,250,000 in support of the Werklund Growth Centre at Olds College.

During the year SAOC contributed $52,500 (2022 - $52,500) towards this commitment. Subsequent annual payments are to be received on or before April 30 as the greater of $52,500 or the amount equal to the funds collected by SAOC in support of the Building Fund.

At $52,500 per year, the commitment is estimated to be completed by April 30, 2038.

8. UNRESTRICTED NET ASSETS

	2023	2022
General fund	**$ 500,157**	$ 152,211
Building fund	**290,426**	339,642
Yearbook fund	**-**	53,875
Residence fund	**-**	87,215
Pub fund	**(744,092)**	(675,800)
ATM fund	**-**	29,207
	$ 46,491	$ (13,650)

During the year, the SAOC determined that the Yearbook fund, Residence fund, and ATM fund are no longer required allocations. These funds remain unrestricted net assets and have been added to the General fund.

9. STUDENT ALUMNI CENTRE FUND

The student alumni centre is rented to various groups by Olds College. The rental income is shared equally between Olds College and SAOC.

10. RELATED PARTY TRANSACTIONS

During the year SAOC paid honorariums to executive officers and student board of directors totaling $67,700 (2022 - $8,600, 2021 - 55,380). These transactions were conducted in the normal course of operations and are recorded at the exchange amounts which are the amounts established and agreed upon by the related parties involved. During the year the SAOC created a new policy which outlines the honorariums to be paid to directors and officers. These honorariums will represent compensation for governance services and will not be applicable to SAOC employees.

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11. FINANCIAL INSTRUMENTS

Financial instruments include cash, accounts receivable and accounts payable.

Unless otherwise noted, the organization is not exposed to any credit, liquidity, market, currency or interest rate risk.