
**THE ONTARIO ASSOCIATION OF
ADULT AND CONTINUING
EDUCATION SCHOOL BOARD
ADMINISTRATORS**

FINANCIAL STATEMENTS

MARCH 31, 2021

INDEPENDENT AUDITOR'S REPORT

To the Members of The Ontario Association of Adult and Continuing Education School Board Administrators,

Opinion

We have audited the financial statements of The Ontario Association of Adult and Continuing Education School Board Administrators (the organization), which comprise the statement of financial position as at March 31, 2021, and the statements of operations and changes in net assets 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 Ontario Association of Adult and Continuing Education School Board Administrators as at March 31, 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 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 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 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.

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 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 your 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.

Pemylegion Chung LLP

Chartered Professional Accountants
Licensed Public Accountants

August 13, 2021
Toronto, Ontario

**THE ONTARIO ASSOCIATION OF ADULT AND CONTINUING EDUCATION
SCHOOL BOARD ADMINISTRATORS**

STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2021

	2021	2020
ASSETS		
Current assets		
Cash	\$ 601,175	\$ 448,872
HST receivable	881	4,312
Prepaid expenses and other	<u>2,679</u>	<u>2,947</u>
	<u>\$ 604,735</u>	<u>\$ 456,131</u>
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable and accrued liabilities	\$ 143,404	\$ 39,312
Deferred revenue	41,532	23,212
Deferred contributions (note 3)	<u>126,453</u>	<u>120,422</u>
	<u>311,389</u>	<u>182,946</u>
Net assets		
Unrestricted	<u>293,346</u>	<u>273,185</u>
	<u>\$ 604,735</u>	<u>\$ 456,131</u>

Approved on behalf of the Board:

_____, Director

_____, Director

see accompanying notes

**THE ONTARIO ASSOCIATION OF ADULT AND CONTINUING EDUCATION
SCHOOL BOARD ADMINISTRATORS**

STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS

FOR THE YEAR ENDED MARCH 31, 2021

	2021	2020
REVENUE		
Government grants (note 4)	\$ 603,166	\$ 652,573
Membership fees	59,619	56,330
Canada Emergency Wage Subsidy	36,331	-
Conference fees	33,225	153,979
Consulting	-	93,541
Other	<u>197</u>	<u>2,988</u>
	<u>732,538</u>	<u>959,411</u>
EXPENSES		
Salaries and benefits	339,473	329,718
Consulting	111,019	193,876
Special projects	109,339	6,448
Administration	42,445	50,647
Professional fees	35,389	24,104
Event	24,631	225,723
Communications and marketing	20,124	75,712
School Board project support	19,300	30,000
Travel	4,408	23,528
Bank charges and interest	3,475	7,087
Insurance	<u>2,774</u>	<u>2,867</u>
	<u>712,377</u>	<u>969,710</u>
EXCESS OF REVENUE OVER EXPENSES FOR THE YEAR	20,161	(10,299)
Net assets, beginning of year	<u>273,185</u>	<u>283,484</u>
NET ASSETS, END OF YEAR	<u>\$ 293,346</u>	<u>\$ 273,185</u>

see accompanying notes

**THE ONTARIO ASSOCIATION OF ADULT AND CONTINUING EDUCATION
SCHOOL BOARD ADMINISTRATORS**

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2021

	2021	2020
OPERATING ACTIVITIES		
Excess of revenue over expenses for the year	\$ 20,161	\$ (10,299)
Net change in non-cash working capital items (see below)	<u>132,142</u>	<u>(49,345)</u>
NET INCREASE (DECREASE) IN CASH FOR THE YEAR	152,303	(59,644)
Cash, beginning of year	<u>448,872</u>	<u>508,516</u>
CASH, END OF YEAR	<u><u>\$ 601,175</u></u>	<u><u>\$ 448,872</u></u>
Net change in non-cash working capital items:		
Decrease (increase) in current assets-		
HST receivable	\$ 3,431	\$ 4,140
Accounts receivable	-	500
Prepaid expenses and other	268	10,757
Increase (decrease) in current liabilities-		
Accounts payable and accrued liabilities	104,091	(17,871)
Deferred revenue	18,320	(71,808)
Deferred contributions	<u>6,032</u>	<u>24,937</u>
	<u><u>\$ 132,142</u></u>	<u><u>\$ (49,345)</u></u>

see accompanying notes

THE ONTARIO ASSOCIATION OF ADULT AND CONTINUING EDUCATION SCHOOL BOARD ADMINISTRATORS

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2021

The Ontario Association of Adult and Continuing Education School Board Administrators (the Organization) is incorporated without share capital in the Province of Ontario. The Organization is exempt from income tax in Canada as a not-for-profit organization under Section 149(1)(L) of the Income Tax Act (Canada).

The Organization aims to promote and advance the cause of adult and continuing education in Ontario.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Management is responsible for the preparation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations. Outlined below are those policies considered particularly significant:

Revenue recognition

The Organization's principal sources of revenue and recognition of these revenues for financial statement purposes are as follows:

- i) The Organization follows the deferral method of revenue recognition for contributions, which include government grants. 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. Restricted contributions are initially recorded as deferred contributions and then recognized as revenue in the year in which the related expenses are incurred. Pledges are not recorded as revenue. Donated materials and services which are normally purchased by the Organization are not recorded in the accounts.
- ii) Membership fees, consulting revenue, administration fees and conference fees are recognized as revenue when services are performed. Fees related to events that have not yet occurred or services not rendered as at year end are recorded as deferred revenue.
- iii) Canada Emergency Wage Subsidy revenue is recognized in period to which it relates.

2. FINANCIAL INSTRUMENTS

The Organization records financial instruments, which include cash, accounts payable and accrued liabilities, initially at fair value. All financial instruments are subsequently recorded net of any provisions for impairment in value.

3. DEFERRED CONTRIBUTIONS

Continuity of deferred contributions for the year is as follows:

	2021	2020
Deferred contributions, beginning of year	\$ 120,422	\$ 95,484
Government grants received during the year	609,197	677,511
Less government grant revenue recognized	<u>(603,166)</u>	<u>(652,573)</u>
Deferred contributions, end of year	<u>\$ 126,453</u>	<u>\$ 120,422</u>

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SCHOOL BOARD ADMINISTRATORS**

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2021

4. GOVERNMENT GRANTS

Government grant revenue recognized in the year was as follows:

	2021	2020
Province of Ontario		
Ministry of Education	\$ 426,616	\$ 469,652
Ministry of Labour, Training and Skills Development	155,120	155,120
Ministry of Children, Community and Social Services	<u>21,430</u>	<u>27,801</u>
	<u>\$ 603,166</u>	<u>\$ 652,573</u>