

**SOCIETY FOR TEACHING AND LEARNING
IN HIGHER EDUCATION
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013**

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INDEPENDENT AUDITOR'S REPORT

To the Directors:

Report on the Financial Statements

We have audited the accompanying financial statements of Society For Teaching And Learning In Higher Education which comprise the balance sheet as at December 31, 2013, and the statements of accumulated surplus, revenue and expenditure and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of these financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, these financial statements present fairly, in all material respects, the balance sheet of Society For Teaching And Learning In Higher Education as at December 31, 2013, and its financial performance and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Smiths Falls, Ontario
date of approval

Chartered Professional Accountants
Licensed Public Accountants

**SOCIETY FOR TEACHING AND LEARNING
IN HIGHER EDUCATION**

BALANCE SHEET

AS AT DECEMBER 31, 2013

	2013	2012
ASSETS		
CURRENT		
Cash	\$ 235,376	\$ 219,313
Amounts receivable	9,638	73,615
GST/HST recoverable	2,763	8,301
Prepaid expenses	1,311	10,493
	<u>\$ 249,088</u>	<u>\$ 311,722</u>
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 31,727	\$ 60,091
Deferred membership revenue (note 2)	39,033	-
	70,760	60,091
ACCUMULATED SURPLUS	<u>178,328</u>	<u>251,631</u>
	<u>\$ 249,088</u>	<u>\$ 311,722</u>

APPROVED ON BEHALF OF THE BOARD

Director

Director

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

**SOCIETY FOR TEACHING AND LEARNING
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STATEMENT OF ACCUMULATED SURPLUS

FOR THE YEAR ENDED DECEMBER 31, 2013

	2013	2012
Unrestricted - General Operations		
Balance, beginning of period	\$ 154,564	\$ 214,133
Institutional membership allocation to EDC	(8,600)	(8,556)
Board grant to 3M Council	(5,000)	-
Net revenue (expense) for the year	(85,323)	(51,013)
Balance, end of period	55,641	154,564

Restricted

	3M Programs					D2L Innovation Award	2013	2012
	National Teaching Fellowship	National Student Fellowship	3M Council	EDC				
Balance, beginning of period	46,247	7,652	4,801	26,900	11,467		97,067	39,166
Institutional membership allocation from general operations	-	-	-	8,600	-		8,600	8,556
Board grant from general operations	-	-	5,000	-	-		5,000	-
Net revenue (expense) for the year	(1,145)	13,029	(1,575)	(7,075)	8,786		12,020	49,345
Balance, end of period	45,102	20,681	8,226	28,425	20,253		122,687	97,067
Total Accumulated Surplus							\$ 178,328	\$ 251,631

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

**SOCIETY FOR TEACHING AND LEARNING
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STATEMENT OF REVENUES AND EXPENDITURES

FOR THE YEAR ENDED DECEMBER 31, 2013

	General Operations	3M Programs		3M Council	EDC	D2L Innovation Award	2013	2012
		National Teaching Fellowship	National Student Fellowship					
REVENUES								
Membership dues								
- individual (note 2)	24,435	-	-	-	8,460	-	\$ 32,895	\$ 50,087
Membership dues								
- institutional	90,500	-	-	-	-	-	90,500	85,565
Corporate funding	-	90,000	75,000	-	-	20,000	185,000	180,000
Book sales	565	-	-	-	-	-	565	1,997
Conference, net	12,971	-	-	-	1,387	-	14,358	33,048
Interest and other income	2,272	-	-	3,445	8,100	-	13,817	3,143
Alan Blizzard Award	-	-	-	-	-	-	-	7,500
Chris Knapper Award	2,500	-	-	-	-	-	2,500	2,500
Student Awards	-	-	-	-	-	-	-	15,000
	133,243	90,000	75,000	3,445	17,947	20,000	339,635	378,840
EXPENSES								
Administration	13,252	-	200	-	-	-	13,452	16,885
Advertising and selection	625	17,430	439	-	-	-	18,494	11,962
Alan Blizzard Award	4,411	-	-	-	-	-	4,411	2,860
Publications	25,115	-	-	-	-	-	25,115	28,432
Insurance	1,425	-	-	-	-	-	1,425	1,933
Journal (CJSO TL)	4,058	-	-	-	-	-	4,058	2,354
Management fee/ secretariat	87,389	5,000	-	-	-	-	92,389	88,978
Miscellaneous	8,882	5,608	193	3,385	1,654	-	19,722	24,736
Professional fees	4,280	-	-	-	-	-	4,280	5,175
Projects	-	-	1,800	1,656	13,834	-	17,290	-
Program coordinator	-	3,882	-	-	-	-	3,882	3,150
Registration and meetings	4,238	-	2,620	194	913	-	7,965	8,449
Retreat and facilitation	596	44,990	944	-	-	-	46,530	30,196
Travel	18,569	14,235	5,775	(215)	637	11,214	50,215	62,550
Teaching and Learning Canada	31,330	-	-	-	-	-	31,330	15,701
Grant Program	13,758	-	50,000	-	7,984	-	71,742	74,413
GST/HST expense	-	-	-	-	-	-	-	1,837
Website maintenance	638	-	-	-	-	-	638	897
	218,566	91,145	61,971	5,020	25,022	11,214	412,938	380,508
Net revenue (expense)	(85,323)	(1,145)	13,029	(1,575)	(7,075)	8,786	\$ (73,303)	(1,668)

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

**SOCIETY FOR TEACHING AND LEARNING
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STATEMENT OF CASH FLOW

FOR THE YEAR ENDED DECEMBER 31, 2013

	2013	2012
OPERATING ACTIVITIES		
Excess (deficiency) of revenues over expenditures	\$ (73,303)	\$ (1,668)
CHANGES IN CERTAIN NON-CASH OPERATING ASSETS AND LIABILITIES		
Amounts receivable	63,977	(35,828)
GST/HST recoverable	5,538	(544)
Prepaid expenses	9,182	1,339
Accounts payable and accrued liabilities	(28,364)	(24,753)
Deferred revenue - membership revenue	39,033	(18,704)
	89,366	(78,490)
INCREASE (DECREASE) IN CASH	16,063	(80,158)
CASH, BEGINNING OF YEAR	219,313	299,471
CASH, END OF YEAR	\$ 235,376	\$ 219,313

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

**SOCIETY FOR TEACHING AND LEARNING
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NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2013

1. ORGANIZATION

The Society For Teaching And Learning In Higher Education (STLHE) is a not for profit organization. The purpose of the Society is to collaborate efforts to enhance the effectiveness of university teaching and learning. The Society accomplishes this through education, information and a forum for consensus building.

INCORPORATION

Pursuant to letters patent dated September 17, 2008 the organization has made application for incorporation without share capital under Part II of the Canada Corporations Act.

2. SIGNIFICANT ACCOUNTING POLICIES

Accounting Framework

The organization has adopted the accounting standards for not-for-profit organizations.

Revenues and Expenditures

All income and expenditures are on the accrual basis.

Revenue Recognition

Previously individual membership fees were on a calendar year basis, and were recorded in the fiscal year to which they relate. In 2013, and subsequent, the individual memberships are on an anniversary date based on the month of membership renewal. This now requires a determination of the amount of the individual membership to the fiscal year end.

Institutional membership fees are recorded in the fiscal year to which they relate.

Conference and other income is recorded in the fiscal year it occurs.

Accumulated Surplus

The Board of Directors distinguishes the surplus into two categories, restricted and unrestricted. The unrestricted surplus may be used at the Society's discretion, whereas, the restricted surplus relates to the 3M Teaching Fellowships, the National Student Fellowship, the 3M Council, the Educational Developers Caucus (EDC) and the D2L Innovation Award. The related surplus will be specifically utilized to achieve the programs objectives.

3. INCOME TAXES

The Society For Teaching and Learning In Higher Education is a not for profit organization not subject to income taxes.

**SOCIETY FOR TEACHING AND LEARNING
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NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2013

4. FINANCIAL INSTRUMENTS

The fair value of cash, accounts receivable, and accounts payable and accrued liabilities is approximately equal to the carrying value due to the short term nature of the instruments.

The exposure to interest rate risk and credit risk is nominal.

The organization's exposure to and management of risk has not changed materially from December 31, 2012.

5. CAPITAL DISCLOSURES

The organization defines capital as the sum of its unrestricted and internally restricted net assets. The organization is not subject to externally imposed requirements on capital.

The organization's objectives when managing capital are:

- (a) to fiscally operate within the parameters established in the operational budgets approved by the Executive Committee.
- (b) to maintain sufficient liquidity to enable it to meet its obligations as they become due.

Organization management prepares annual budgets. These budgets are reviewed and approved by the Executive Committee. Throughout the year management and the Executive Committee monitor the actual results and advises management as it deems appropriate in the circumstances.

6. COMMITMENT

The Board of Directors, in 2012, approved a commitment of \$50,000 to Teaching and Learning Canada, a registered charity, developed by STLHE. As at December 2013, there remains \$2,969 outstanding. This will be expensed when it is paid.

7. PRIOR YEAR FIGURES

Certain of the prior year figures have been reclassified to agree with the current year presentation.