



## **INDEPENDENT AUDITORS' REPORT**

To the Members of the  
Society for Teaching and Learning in Higher Education

Report on the Financial Statements

We have audited the accompanying financial statements of Society for Teaching and Learning in Higher Education, which comprise the statement of financial position as at December 31, 2015, and the statements of operations, changes in net assets and cash flows 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 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.

Auditors' 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 auditors' judgment, 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 the financial statements.

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## **INDEPENDENT AUDITORS' REPORT**

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

### **Basis for Qualified Opinion**

In common with many not-for-profit organizations, the Society derives revenue and incurs expenses from its annual conference. The books and records supporting these activities are located with the host organization and were not available for audit purposes for the year ended December 31, 2015. Accordingly, our verification of such revenue and expense was limited to the amounts recorded in the records of the Society and we were not able to determine whether any adjustments might be necessary to the annual conference revenue, expense and net revenue for the year ended December 31, 2015, and current assets and net assets as at December 31, 2015.

### **Qualified Opinion**

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Society for Teaching and Learning in Higher Education as at December 31, 2015, 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.

### **Other Matters**

The financial statements of Society for Teaching and Learning in Higher Education for the year ended December 31, 2014, were audited by another auditor who expressed an unqualified opinion on those statements on June 15, 2015.

McCay Duff LLP,  
Licensed Public Accountants.

Ottawa, Ontario,

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

**STATEMENT OF FINANCIAL POSITION**

**AS AT DECEMBER 31, 2015**

	<u>2015</u>	<u>Restated 2014</u>
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 466,628	\$ 278,648
Accounts receivable	76,375	119,328
Prepaid expenses	<u>10,715</u>	<u>4,358</u>
	<u>\$ 553,718</u>	<u>\$ 402,334</u>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities (note 4)	\$ 46,418	\$ 43,626
Deferred membership revenue	<u>81,435</u>	<u>57,176</u>
	127,853	100,802
<b>NET ASSETS</b>		
<b>UNRESTRICTED</b>	207,255	154,903
<b>RESTRICTED</b>	<u>218,610</u>	<u>146,629</u>
	<u>\$ 553,718</u>	<u>\$ 402,334</u>

Commitment (note 5)  
Correction of prior period error (note 6)

**Approved on behalf of the Board:**

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Director

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Director

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

**STATEMENT OF CHANGES IN NET ASSETS - UNRESTRICTED**

**FOR THE YEAR ENDED DECEMBER 31, 2015**

	<u>2015</u>	<u>Restated 2014</u>
<b>UNRESTRICTED - GENERAL OPERATIONS</b>		
<b>BALANCE - BEGINNING OF YEAR AS PREVIOUSLY STATED</b>	\$ 150,903	\$ 55,641
Correction of prior period error (note 6)	<u>4,000</u>	<u>-</u>
<b>BALANCE - BEGINNING OF YEAR AS RESTATED</b>	154,903	55,641
Net revenue for the year	68,523	109,962
Allocation of institutional membership to EDC	( 9,500)	( 10,700)
Allocation of net conference to student bursary and support	( 21,649)	-
Allocation from national teaching fellowship	<u>14,978</u>	<u>-</u>
<b>BALANCE - END OF YEAR</b>	<u>\$ 207,255</u>	<u>\$ 154,903</u>

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

**STATEMENT OF CHANGES IN NET ASSETS - RESTRICTED**

**FOR THE YEAR ENDED DECEMBER 31, 2015**

	<u>3M Programs</u>							
	<u>National Teaching Fellowship</u>	<u>National Student Fellowship</u>	<u>3M Council</u>	<u>EDC</u>	<u>D2L Innovation Award</u>	<u>Student Bursary and Support</u>	<u>2015</u>	<u>Restated 2014</u>
<b>RESTRICTED</b>								
<b>BALANCE - BEGINNING OF YEAR AS PREVIOUSLY STATED</b>	\$ 56,608	\$ 26,612	\$ 8,139	\$ 36,853	\$ 28,417	\$ -	\$ 156,629	\$ 122,687
Correction of prior period error (note 6)	( 10,000)	-	-	-	-	-	( 10,000)	-
<b>BALANCE - BEGINNING OF YEAR AS RESTATED</b>	46,608	26,612	8,139	36,853	28,417	-	146,629	122,687
Net revenue (expense) for the year	17,205	7,264	7,781	( 5,601)	7,512	21,649	55,810	13,242
Allocation of 3M impact study to general operations	( 14,978)	-	-	-	-	-	( 14,978)	-
Allocation of net conference from general operations	-	-	-	-	-	21,649	21,649	-
Allocation of institutional membership from general operations	-	-	-	9,500	-	-	9,500	10,700
<b>BALANCE - END OF YEAR</b>	<u>\$ 48,835</u>	<u>\$ 33,876</u>	<u>\$ 15,920</u>	<u>\$ 40,752</u>	<u>\$ 35,929</u>	<u>\$ 43,298</u>	<u>\$ 218,610</u>	<u>\$ 146,629</u>

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

**STATEMENT OF OPERATIONS**

**FOR THE YEAR ENDED DECEMBER 31, 2015**

**3M Programs**

	<u><b>General Operations</b></u>	<u><b>National Teaching Fellowship</b></u>	<u><b>National Student Fellowship</b></u>	<u><b>3M Council</b></u>	<u><b>EDC</b></u>	<u><b>D2L Innovation Award</b></u>	<u><b>Student Bursary and Support</b></u>	<u><b>2015</b></u>	<u><b>Restated 2014</b></u>
<b>REVENUES</b>									
Individual membership dues	\$ 65,222	\$ -	\$ -	\$ -	\$ 8,291	\$ -	\$ -	\$ 73,513	\$ 74,674
Institutional membership dues	95,000	-	-	-	-	-	-	95,000	88,500
Corporate funding	-	90,000	80,000	10,000	-	20,000	-	200,000	175,000
Book sales	973	-	-	-	-	-	-	973	231
Conference, net	33,649	-	-	-	2,395	-	21,649	57,693	76,702
Interest and other income	1,641	-	-	3,748	2,721	-	-	8,110	40,784
Alan Blizzard Award	-	-	-	-	-	-	-	-	10,000
Chris Knapper award	<u>10,199</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,199</u>	<u>-</u>
	<u>206,684</u>	<u>90,000</u>	<u>80,000</u>	<u>13,748</u>	<u>13,407</u>	<u>20,000</u>	<u>21,649</u>	<u>445,488</u>	<u>465,891</u>
<b>EXPENSES</b>									
Administration	16,843	-	-	-	-	-	-	16,843	25,293
Advertising and selection	334	9,363	151	-	-	-	-	9,848	16,106
Publications	11,205	-	-	-	-	-	-	11,205	8,334
Insurance	1,897	-	-	-	-	-	-	1,897	1,539
3M Impact Study	12,373	-	-	-	-	-	-	12,373	13,007
Journal (CJSOTL)	5,694	-	-	-	-	-	-	5,694	2,678
Management fee	55,790	-	-	-	-	-	-	55,790	78,342
Miscellaneous	547	86	89	2,394	247	1,811	-	5,174	9,887
Professional Fees	9,109	-	-	-	-	-	-	9,109	6,428
Projects	-	-	-	-	2,000	-	-	2,000	7,984
Program coordinator	-	5,001	-	-	-	-	-	5,001	3,852
Registration and meetings	575	-	11,528	2,609	766	-	-	15,478	7,339
Retreat and facilitation	926	57,664	-	-	-	-	-	58,590	36,065
Travel	12,904	681	10,968	964	832	10,677	-	37,026	55,390
Teaching and learning Canada	-	-	-	-	-	-	-	-	356
Grant program (note 6)	7,805	-	50,000	-	15,163	-	-	72,968	69,210
Website maintenance	<u>2,159</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,159</u>	<u>877</u>
	<u>138,161</u>	<u>72,795</u>	<u>72,736</u>	<u>5,967</u>	<u>19,008</u>	<u>12,488</u>	<u>-</u>	<u>321,155</u>	<u>342,687</u>
<b>NET REVENUE (EXPENSES) FOR THE YEAR</b>	<u>\$ 68,523</u>	<u>\$ 17,205</u>	<u>\$ 7,264</u>	<u>\$ 7,781</u>	<u>\$( 5,601)</u>	<u>\$ 7,512</u>	<u>\$ 21,649</u>	<u>\$ 124,333</u>	<u>\$ 123,204</u>

McCAY DUFF LLP, CHARTERED PROFESSIONAL ACCOUNTANTS

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

**STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED DECEMBER 31, 2015**

	<u>2015</u>	<u>Restated 2014</u>
<b>CASH PROVIDED BY (USED FOR)</b>		
<b>OPERATING ACTIVITIES</b>		
Cash from operations		
Net revenue for the year	\$ 124,333	\$ 123,204
Changes in non-cash working capital		
- accounts receivable	42,953	( 106,927)
- prepaid expenses	( 6,357)	( 3,047)
- accounts payable and accrued liabilities	2,792	11,899
- deferred membership revenue	<u>24,259</u>	<u>18,143</u>
	<u>63,647</u>	<u>( 79,932)</u>
<b>CHANGE IN CASH DURING THE YEAR</b>	187,980	43,272
Cash position - beginning of year	<u>278,648</u>	<u>235,376</u>
<b>CASH POSITION - END OF YEAR</b>	<u>\$ 466,628</u>	<u>\$ 278,648</u>

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

## **NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2015**

### **1. ORGANIZATION**

The Society for Teaching and Learning in Higher Education (STLHE) was incorporated without share capital under the Canada Corporations Act on September 17, 2008. On May 12, 2016, the Society received certification of continuance under the Canada Not-for-Profit Corporations Act. The Society has adopted as its purpose "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.

The Society is exempt from income tax and is a not-for-profit organization.

### **2. SIGNIFICANT ACCOUNTING POLICIES**

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations. The Society's significant accounting policies are as follows:

#### **(a) Revenue Recognition**

The Society follows the restricted fund method of accounting for contributions. Restricted contributions, related to a particular fund, are recognized as revenue in the fund corresponding to the purpose for which they were contributed. Restricted contributions for which there is no related restricted fund are deferred and recognized as revenue of the operating fund when the relating restrictions have been met. Unrestricted contributions are recognized as revenues in the operating fund.

Contributions and grants are recognized as revenue when received or receivable, if the amount to be received can be reasonably estimated, and collection is reasonably assured.

Individual memberships are on an anniversary date based on the month of membership renewal. Membership fees are recorded as revenue in the year in which the membership relates to. If membership fees are received in advance for a subsequent period, this membership revenue is deferred.

Institutional membership fees are recorded in the year in which the membership relates to.

Revenues from conferences are recognized on a net basis in the year during which the related conference is held.



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

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2015**

**2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd.)**

(b) Use of Estimates

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 amounts of assets, liabilities, revenues and expenses and disclosure of contingent assets and liabilities. These estimates are reviewed periodically and adjustments are made to net revenue (expenses) as appropriate in the year they become known.

(c) Financial Instruments

The Society's financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities.

*Measurement*

Financial instruments are recorded at fair value on initial recognition.

The Society subsequently measures its cash, accounts receivable, and accounts payable and accrued liabilities at amortized cost.

*Impairment*

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. The amount of any write-down or subsequent recovery is recognized in net revenue (expenses)

(d) Volunteer Services

The Society receives the services of volunteers, the cost of which cannot be reasonably estimated. Therefore, no representation of this expense has been included in these financial statements.

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

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2015**

**3. FINANCIAL RISKS AND CONCENTRATION OF RISKS**

It is management's opinion that the Society is not exposed to significant liquidity, interest rate, market, credit or currency risks arising from its financial instruments. There has been no change to the risk exposure from 2014.

**4. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

Included in accounts payable and accrued liabilities are government remittances payable of \$nil (2014 - \$6,964), which includes amounts payable for HST and payroll related taxes.

**5. COMMITMENT**

The Society has engaged the services of a Society to provide management services at an annual fee of \$69,213, including applicable taxes, effective July 1, 2015. The annual fees will be reviewed every five years.

**6. CORRECTION OF PRIOR PERIOD ERROR**

In the 2014 fiscal year, an error occurred which incorrectly expensed publication costs for CELT which were prepaid in nature. As a result, the 2014 financial statements have been restated to reflect a \$4,000 decrease to publication expense with a corresponding increase in net revenue (expenses) and a \$4,000 increase in prepaid expenses.

In the 2014 fiscal year, an error occurred which incorrectly recognized an overpayment of corporate funding received in the year as revenue. As a result, the 2014 financial statements have been restated to reflect a \$10,000 decrease to corporate funding in the National Teaching Fellowship fund, with a corresponding decrease to net revenue (expenses) of the Fund and an increase in accounts payable.

**7. COMPARATIVE FIGURES**

Certain comparative figures have been reclassified to conform with current financial statement presentation.

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

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2015**