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# AETSA

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ASSOCIATION ÉTUDIANTE TELFER STUDENTS' ASSOCIATION

24/25 CLUBS'

# AUDIT

MANUAL

**Prepared By:**  
AETSA Finance Team

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# Letter from VP Finance

Hi everyone,

I am happy to present the 24/25 AETSA Audit Manual. This manual is an excellent tool for the Clubs' Vice-Presidents of Finance to effectively complete audits and organize club financials.

Although this process may appear complicated, we are here to support at every step. Through this manual, we are confident that you will be able to navigate your finances with ease. If there are further questions or concerns beyond what is included in the manual, do not hesitate to reach out.

I understand that there may be outstanding financial issues from previous years, and although it is difficult to go back in time and understand each transaction, I can guarantee AETSA's best understanding and flexibility during this process for your club.

I wish you all an excellent start to the year, and a mandate filled with great success.

Best regards,

Sara Sabbagh



Vice-President Finance  
vpfinance@aetsa.ca



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# Importance of an Audit

Audits are an effective way of communicating financial information to AETSA and it will help facilitate your transition to the next VP Finance. The report creates a “corporate memory” where a club's entire year can be displayed in a way that is very easy to follow. Corporate memory allows future executives the opportunity to start with the same level of understanding we finish with.

An audit ensures that the funds given by AETSA to each club are being spent on the well being of every Telfer student. Without a proper audit, we would not be able to trace the funds or know how they were being spent.

For clubs, three audits are mandatory. The goal of the audits is to simply ensure that clubs are managing their annual budget properly.

There is a audit grace period policy that provides your club the opportunity to review their audit initial evaluation report by the AETSA and correct any indicated mistakes within a 72 hour period to help reduce or eliminate the financial penalties applied.

The following table shows the penalties amounts that are applied if corrections are not made within the 72 hour grace period.

Late Audit Penalties

Period	Penalty Amount (\$)
Up to a Week Late	\$500
Up to 2 Weeks Late	\$1,000
More than 2 Weeks Late	No funding for the Audit Period



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# Audit Submission Instructions

1. Cover page including
  - a. Club name
  - b. Audit number
  - c. Time period (see table below)
  - d. Date audit submitted
  - e. Name of VP Finance
2. Verify the checklist
3. Email the audit to [vpfinance@aetsa.ca](mailto:vpfinance@aetsa.ca) and [finance@aetsa.ca](mailto:finance@aetsa.ca)
4. Await an email from AETSA confirming submission or audit to ensure proper receipt
5. Review Audit Evaluation Form provided by auditor

## Audit Periods and Due Dates

Due Date	Period
August 11, 2024	From April 1, 2024 to July 31, 2024
December 15, 2024	From August 1, 2024 to November 30, 2024
April 13, 2025	From December 1, 2024 to March 31, 2025

\*The audits are due by 11:59pm of the due date\*



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# Audit Penalties

For some sections where you may have nothing to report, please indicate so, otherwise, it will be considered missing and your club will be penalized.

Reasoning	Penalty Amount
Missing Constitutional Amendments	\$50
Missing Meeting Minutes	\$75
Missing Budget	Audit Failure, No Funding for the Audit Period
Missing Event Budget	\$100 (each)
Missing Statement of Assets	\$50
Missing Logbook	Audit Failure, No Funding for the Audit Period
Missing Bank Statements	Audit Failure, No Funding for the Audit Period
Missing / Incomplete Bank Reconciliation	\$50
Missing / Incomplete Petty Cash Statement	\$100
Missing Cheque, E-Transfer or Receipt (Non-Justified)	\$75 (each)
Missing Reimbursement	\$75 (each)
Higher than 10% Variance (Non-Justified)	\$50 (each)
Budget / Event Budget Actuals Do Not Match The Logbook	\$100



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# Audit Checklist

The following checklist includes everything that needs to be included in your audit. Refer to this checklist to ensure that all necessary documents are in your audit to avoid any penalties.

- ☐ Constitution
- ☐ Constitutional Amendment Motions (if applicable)
- ☐ Meeting Minutes
- ☐ Budget
- ☐ Logbook
- ☐ Statement of Assets
- ☐ Bank Statements
- ☐ Bank Reconciliation
- ☐ Petty Cash Statement
- ☐ Receipts and Voided cheques
- ☐ Others (if applicable)



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## 1. Club Constitution

Each club must provide an updated copy of their constitution only in their first audit. If there are amendments in your constitution during the year, please provide a new copy of it in the subsequent audit. An electronic copy via email of the entire constitution will be acceptable in place of a paper copy. If no amendments were made, be sure to make a note of that.

### *Constitution Penalties:*

You will be penalized if we do not receive your constitution. \$50 will be deducted.

A list of all constitutional amendments motioned (whether passed or rejected) in the audit period must be included. The list should include the following components:

- a. Exact wording of the be it resolved clause
- b. If an amendment, original wording of the section being amended
- c. Date of the motion being discussed
- d. Where it was motioned (executive meeting, Annual General Meetings, etc.)
- e. Vote result of the motion (pass/fail, vote count if taken)

## 2. Meeting Minutes

These are the minutes of your club's meeting. Minutes are part of the audit because it is critical that each club discusses large purchases such as an event deposit in advance. All members of the club must agree on all such purchases or the majority according to your constitution. All meeting minutes must be typed before submission; handwritten minutes will not be accepted. If your club has Annual General Meetings (AGM) where financial matters concerning your club are also discussed, those minutes are also required.

*Please note:* In order to ensure quick reviews of your audits, it is mandatory to highlight all financial matters in your meeting minutes.





### 3. Budget

The budget is what the club is planning to do financially for the year. Please remember to include taxes in your budget.

#### *Club Master Budget for the Year:*

A budget is a financial forecast outlining revenues and expenditures generated by a club. It shows what the club plans to accomplish with their funds. In short, a budget is a plan on how you are getting and spending your money. A budget can also be used as a constraint to determine expenses or revenues for a certain event. By doing so, you are able to determine the actual financial operations (actuals) of the club to be measured against the forecast (expected). The result will give us a better understanding of your financial situation and will serve as a guideline for the year forward.

#### *Expected Budget:*

In your expected budget, you usually use the same data for your revenue and expenses from last year's actual budget. You are trying to estimate your revenue and expenditure for the year. We request that your budget does not include pessimistic and optimistic figures for us to have the most precise figures. For example, you received \$2,000 in total funding from last year. For this year, your expected should be around the same amount. The same logic must be applied to your expenses. For example, if you plan on using the same event venue, you will be able to expect how much it costs this year given last years' figures. Any new budget line should be based on reasonable research into the expected revenues/expenses and take into consideration the nature of the event or purchase relative to the club.

#### *Actual Budget:*

An actual budget is the reality or the result of your planning. It is the actual amount that came out of your clubs' bank account. This budget is completed at the end of each month relative to the bank statement. The actuals should be inputted at the same time as entry into the logbook. Every item must be matched to the relevant budget line. We recommend to perpetually keep this up-to-date rather than assembling this all before an audit is due. All large (greater than 10% of the budget line) disparities between the actual and allocated budgets must be accompanied with a justification.



# Budget Example

## Master Budget

Master Budget Template									
As of _____									
Revenue						Expected	Actuals	Variance	
Membership Revenue									
	Membership Sales					0.00	0.00	0.00	
	Other					0.00	0.00	0.00	
Total Membership Revenue						0.00	0.00	0.00	
Event Revenue									
	Event #1					0.00	0.00	0.00	
	Event #2					0.00	0.00	0.00	
	Event #3					0.00	0.00	0.00	
	Event #4					0.00	0.00	0.00	
Total Event Revenue						0.00	0.00	0.00	
Sponsorship Revenue									
	Sponsorship #1					0.00	0.00	0.00	
	Sponsorship #2					0.00	0.00	0.00	
Total Sponsorship Revenue						0.00	0.00	0.00	
Total Revenue						0.00	0.00	0.00	
Expenses						Expected	Actuals	Variance	
Event Expenses									
	Event #1					0.00	0.00	0.00	
	Event #2					0.00	0.00	0.00	
	Event #3					0.00	0.00	0.00	
	Event #4					0.00	0.00	0.00	
Total Social Expenses						0.00	0.00	0.00	
Other									
	Other #1					0.00	0.00	0.00	
	Other #2					0.00	0.00	0.00	
	Other #3					0.00	0.00	0.00	
Total Other Expenses						0.00	0.00	0.00	
Total Expenses						0.00	0.00	0.00	
Expected Ending Balance						0.00	0.00	0.00	

## Event Budget

Academic Master Budget 23-24									
Revenue						Price	Units	Expected	Actuals
Ticket Sales									
	Member Ticket Sales							0.00	0.00
	Non-Member Ticket Sales							0.00	0.00
	Other							0.00	0.00
Total Event Revenue								0.00	0.00
Expenses						Price	Units	Expected	Actuals
Accommodation									
	1							0.00	0.00
	2							0.00	0.00
	3							0.00	0.00
	4							0.00	0.00
	5							0.00	0.00
	6							0.00	0.00
Total Accommodation Expenses								0.00	0.00
Transportation									
	1							0.00	0.00
	2							0.00	0.00
	3							0.00	0.00
Total Transportation Expenses								0.00	0.00
Event Management									
	1							0.00	0.00
	2							0.00	0.00
	3							0.00	0.00
	4							0.00	0.00
Total Event Management Expenses								0.00	0.00
Total Event Expenses								0.00	0.00
Net Income (Loss)								0.00	0.00



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## 4. Logbook

To maintain accurate financial records, it's crucial to record every transaction promptly and thoroughly. This entails documenting a brief description of each transaction, including relevant details such as cheque numbers and e-transfer confirmation numbers. Additionally, transactions should be logged on the date they were incurred, rather than when the money was spent, especially pertinent for cheque payments. To create an effective logbook, designate specific sections for different types of transactions, such as revenue, expenses, and e-transfers. Ensure each entry includes the date, description, method of payment, and any associated reference numbers. Regularly reconcile the logbook with bank statements to detect any discrepancies and maintain financial transparency. This meticulous approach not only facilitates accurate record-keeping but also provides a comprehensive overview of the clubs' financial activities.

### *Logbook Example*

Master Logbook Template								
#	Date	Description	Type	Cheque #	Deposit #	Debit	Credit	Balance
1	1/1/2023	Transaction Description	Funding	CHQ#*****_*****			10,000.00	10,000.00
2	1/2/2023	Transaction Description	Events		***	500.00		9,500.00
3	1/3/2023	Transaction Description	Other		***	25.00		9,475.00



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## 5. Statement of Assets

A statement of assets is a comprehensive financial document that shows all the assets owned by the club. This statement is crucial in an audit because it provides us with a clear and structured view of the clubs reported assets and their value. It is mandatory for your statement of assets to include the asset name, date of purchase, purchase price, and current value. Although we recommend including depreciation in your statement of assets, it is not mandatory to complete the audit.

### *Statement of Assets Example*

Asset	Date of Purchase	Purchase Price	Depreciation Rate/ Year	Accumulated Depreciation/ Year	Accumulated Depreciation Value	Current Value
Name	XXXX-XX-XX	\$XX.XX	XX.XX%	XX.XX	\$XX.XX	\$XX.XX
Name	XXXX-XX-XX	\$XX.XX	XX.XX%	XX.XX	\$XX.XX	\$XX.XX
Name	XXXX-XX-XX	\$XX.XX	XX.XX%	XX.XX	\$XX.XX	\$XX.XX
Name	XXXX-XX-XX	\$XX.XX	XX.XX%	XX.XX	\$XX.XX	\$XX.XX
Name	XXXX-XX-XX	\$XX.XX	XX.XX%	XX.XX	\$XX.XX	\$XX.XX
Name	XXXX-XX-XX	\$XX.XX	XX.XX%	XX.XX	\$XX.XX	\$XX.XX



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## 6. Bank Statements

A bank statement is a document the club receives from your bank every month either through email or as a statement in your account. It is an external version of your financial statement and a snap shot of each months' credits and debits. It is mandatory to include the bank statement of all the months during the auditing period. Please provide both the bank statements and cheque images attached to the statement.

## 7. Bank Reconciliation

A bank reconciliation serves to explain discrepancies between the clubs' bank statement and logbook. At times the logbook balance and bank statement balance will not be equal. The process to account for this difference is a reconciliation. The reconciliation will be a list of all items not yet deposited or chequed. For example, this can be deposits which have yet to be made or cheques yet to be cashed. You should always be able to balance the two, or continue the carry-over mission amount. If you are not able to account for the difference, you have misplaced funds and will be held responsible for locating them. For outstanding cheques (cheques that have been issued, but weren't cashed yet at the end of the audit period), you will need to keep account of this. Please include the cheque number, description, the amount and the date that was issued.

### *Bank Reconciliation Example*

Bank Reconciliation Statement					
As of May 1, 2024					
<i>Less: Outstanding Cheques</i>					
	Cheque Number	Amount	Description	Pay to the Order of	Date
<i>Add: Outstanding Deposits</i>					
	Cheque Number	Amount	Description	Pay to the Order of	Date
<b>Total Balance Outstanding</b>					



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## 8. Cheques, E-Transfers and Receipts

Every time your club writes a cheque, you must keep all the original receipts and submit them in the audit. The club must hand in the voided cheques that were used, along with the receipts, at the time of the audit. Also, if you lost an invoice of lesser value, please write an attestation. It is up to your judgment to distinguish what is a lesser value of invoice. Also, if you voided any cheques, please put it in the audit. Please ensure this section (cheques, e-transfers and receipts) corresponds with a logbook entry and have them numbered accordingly.

A receipt is a detailed list of what you bought, a simple debit or credit is not sufficient to be used as proof of payment. However, some of them will be accepted based on the amount, the club's transparency, and other reasons. The same reason can be applied to affidavits.

Digital receipts (pictures, screenshots, and so forth) are allowed, granted they are in high-resolution.

### *Affidavit for Missing Receipts*

I, **(Input your name)**, hereby declare that this expense of \$\_\_\_\_\_ was paid on **(Input date)** for **(Input event)**.

**(Input the reimbursor's name)** has purchased **(Input the purchase)** for **(Input club's name)** and we used **(cheque number or petty cash)** to pay back this expense. However, the receipt was lost.

To ensure the integrity of the audit, we provided this affidavit to be used as a replacement to the missing receipt.

\_\_\_\_\_  
(VP Finance's Name) (Signature) (Date)

\_\_\_\_\_  
(President's Name) (Signature) (Date)



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## 9. Petty Cash Statement

Petty cash is money kept on hand by a club as a convenience for small expenses; this includes any money in the cash box that belongs to your club. Once the amount in the petty cash exceeds a certain amount or has been on hand for over 2 weeks, deposit the excess amount in your bank account immediately and log it in your logbook.

### *Petty Cash Statement Example*

Petty Cash Statement as of _____, ____				
Date	Transaction	Cash In	Cash Out	Balance
Beginning Balance _____, ____				\$xx.xx
_____, ____	Description	\$xx.xx	\$xx.xx	\$xx.xx
_____, ____	Description	\$xx.xx	\$xx.xx	\$xx.xx
_____, ____	Description	\$xx.xx	\$xx.xx	\$xx.xx
_____, ____	Description	\$xx.xx	\$xx.xx	\$xx.xx
Ending Balance _____, ____				\$xx.xx



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# CONTACT US



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