



CHARTERED ACCOUNTANT

The Blind Duck

(A Division of University of Toronto at
Mississauga Students' Union)

Financial Statements

April 30, 2015

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CHARTERED ACCOUNTANT

Independent Auditor's Report

To the Directors of
The Blind Duck
(A division of University of Toronto at Mississauga Students' Union)

Report on the Financial Statements

I have audited the accompanying financial statements of The Blind Duck (A division of University of Toronto at Mississauga Students' Union), which comprise the statement of financial position as at April 30, 2015, and the statements of changes in net assets, operations 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 of material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I 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 risks of material misstatements 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.



CHARTERED ACCOUNTANT

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of The Blind Duck (A division of University of Toronto at Mississauga Students' Union) as at April 30, 2015 and of its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Oakville, Canada
October 31, 2015

Chartered Professional Accountant
Chartered Accountant
Licensed Public Accountant
Licence No. 1-12080

The Blind Duck

(A division of University of Toronto at Mississauga Students' Union)

Statement of Operations

Year Ended April 30,	2015	2014
Sales	\$ 427,343	\$ 473,473
Cost of sales	<u>290,544</u>	<u>305,816</u>
Gross profit	<u>136,799</u>	<u>167,657</u>
Operating expenditures		
Advertising and promotion	6,760	2,625
Bank charges	8,871	8,616
Cleaning	8,326	5,350
Depreciation	4,652	5,290
Entertainment	13,953	10,945
Equipment rental	4,680	5,934
Insurance	8,000	8,000
Office and general	16,426	17,057
Repairs and maintenance	17,979	7,379
Serving supplies	33,440	24,114
Telephone	3,837	1,922
Wages and benefits	<u>284,122</u>	<u>245,236</u>
	<u>411,046</u>	<u>342,468</u>
Excess of expenditures over revenues before other income	<u>(274,247)</u>	<u>(174,811)</u>
Other income		
Student Levy	105,805	88,256
Events	122,281	123,524
Miscellaneous	<u>13,244</u>	<u>380</u>
	<u>241,330</u>	<u>212,160</u>
Excess of (expenditures over revenues) revenues over expenditures	<u>\$ (32,917)</u>	<u>\$ 37,349</u>

See accompanying notes to the financial statements.

The Blind Duck

(A division of University of Toronto at Mississauga Students' Union)

Statement of Changes in Net Assets

Year Ended April 30,	2015	2014
Net assets, beginning of year	\$ 51,748	\$ 14,399
Excess of (expenditures over revenues) revenues over expenditures	<u>(32,917)</u>	<u>37,349</u>
Net assets, end of year	<u>\$ 18,831</u>	<u>\$ 51,748</u>

See accompanying notes to the financial statements.

The Blind Duck

(A division of University of Toronto at Mississauga Students' Union)

Statement of Financial Position

April 30, 2015 2014

Assets

Current

Cash	\$ 35,868	\$ 63,681
Receivables	11,108	16,555
Inventory	4,574	3,989
Prepays	<u>4,828</u>	<u>4,828</u>
	56,378	89,053

Property and equipment (Note 3) 20,525 20,693

\$ 76,903 \$ 109,746

Liabilities

Current

Payables and accruals (Note 4)	\$ 21,004	\$ 25,740
Due to UTMSU	37,068	24,000
Current portion of capital lease obligation	<u> </u>	<u>3,285</u>
	58,072	53,025

Capital lease obligation 4,973
58,072 57,998

Net assets

Unrestricted	<u>18,831</u>	<u>51,748</u>
	<u>\$ 76,903</u>	<u>\$ 109,746</u>

On behalf of the board



President



Vice-President Internal & Services

See accompanying notes to the financial statements.

The Blind Duck

(A division of University of Toronto at Mississauga Students' Union)

Statement of Cash Flows

Year Ended April 30, 2015 2014

Cash derived from (applied to)

Operating

Excess of (expenditures over revenues)		
revenues over expenditures	\$ (32,917)	\$ 37,349
Depreciation	4,652	5,290
Changes in non-cash operating working capital (below)	<u>13,195</u>	<u>12,806</u>
	<u>(15,070)</u>	<u>55,445</u>

Investing

Purchase of property and equipment	<u>(4,485)</u>	
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Financing

Capital lease obligation	<u>(8,258)</u>	<u>(2,947)</u>
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Net (decrease) increase in cash (27,813) 52,498

Cash, beginning of year 63,681 11,183

Cash, end of year \$ 35,868 \$ 63,681

Changes in non-cash operating working capital

Receivables	\$ 5,447	\$ (15,861)
Inventory	(585)	705
Payables and accruals	(4,736)	16,501
Due to UTMSU	<u>13,069</u>	<u>11,461</u>
	<u>\$ 13,195</u>	<u>\$ 12,806</u>

See accompanying notes to the financial statements

The Blind Duck

(A division of University of Toronto at Mississauga Students' Union)

Notes to the Financial Statements

April 30, 2015

1. Form of organization

The Blind Duck is an operating division of University of Toronto at Mississauga Students' Union ("Students' Union") which owns the assets and administers the operations of The Blind Duck. For financial statement presentation, the operations have been divided and separate audited financial statements have been prepared for both the Students' Union and The Blind Duck.

2. Summary of significant accounting policies

Use of estimates

The preparation of the 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 and liabilities, revenues and expenditures and disclosure of contingent assets and liabilities. Significant areas requiring the use of significant judgement include rates and basis of depreciation of property and equipment and the amounts included in receivables, prepaids and payables and accruals. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in the future periods could be significant.

Accrual basis of accounting

Revenue and expenses are recorded on the accrual basis whereby they are reflected in the accounts in the period which they have been earned and incurred respectively whether or not such transactions have been finally settled by the receipt or payment of money.

Inventory

Inventory is valued at the lower of cost and net realizable value.

Depreciation

Rates and basis of depreciation applied to write off the cost of the property and equipment over its estimated life are as follows:

Equipment	20%, declining balance
Computer	30%, declining balance

Financial instruments

The financial instruments of the organization are initially measured at fair value. All financial instruments are subsequently measured at amortized cost, adjusted by transaction costs, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in revenue as investment income.

The Blind Duck

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Notes to the Financial Statements

April 30, 2015

3. Property and equipment

	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>2015 Net Book Value</u>	<u>2014 Net Book Value</u>
Equipment	\$ 48,220	\$ 28,153	\$ 20,067	\$ 20,040
Computer	<u>3,286</u>	<u>2,828</u>	<u>458</u>	<u>653</u>
	<u>\$ 51,506</u>	<u>\$ 30,981</u>	<u>\$ 20,525</u>	<u>\$ 20,693</u>

4. Payables and accruals

	<u>2015</u>	<u>2014</u>
Trade payables	\$ 9,863	\$ 24,928
Government remittances	<u>11,141</u>	<u>812</u>
	<u>\$ 21,004</u>	<u>\$ 25,740</u>
