



CHARTERED ACCOUNTANT

**University of Toronto at  
Mississauga Students' Union  
Non-Consolidated  
Financial Statements**  
April 30, 2014

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CHARTERED ACCOUNTANT

## Independent Auditor's Report

To the Members of  
University of Toronto at Mississauga Students' Union

### Report on the Financial Statements

I have audited the accompanying non-consolidated financial statements of University of Toronto at Mississauga Students' Union, which comprise the non-consolidated statement of financial position as at April 30, 2014, and the non-consolidated 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 qualified audit opinion.



CHARTERED ACCOUNTANT

#### Basis for Qualified Opinion

In common with many non-profit organizations, the organization derives social activities revenue from sources the completeness of which is not susceptible of satisfactory audit verification. Accordingly, my verification of these revenues was limited to amounts recorded in the records of the organization. Therefore I was not able to determine whether as at and for the years ended April 30, 2014 and April 30, 2013, any adjustments might be necessary to revenues, excess of revenues over expenditures, cash flow from operations, assets and fund balances. This caused me to qualify my audit opinion on the financial statements as at and for the year ended April 30, 2013.

#### Qualified Opinion

In my opinion, except for the effects of the matters described in the Basis for Qualified Opinion paragraph, the non-consolidated financial statements present fairly, in all material respects, the financial position of University of Toronto at Mississauga Students' Union as at April 30, 2014 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.

A handwritten signature in black ink, reading "Charles Havill".

Oakville, Canada  
November 3, 2014

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

# **University of Toronto at Mississauga Students' Union** **Non-Consolidated Statements of Operations and** **Changes in Net Assets**

Year Ended April 30,	2014	2013
<b>Revenues</b>		
Finance – Schedule A	\$ 1,509,501	\$ 1,423,967
Social Activities and Planning – Schedule B	336,402	264,039
Student Centre – Schedule C	351,032	340,359
Academic Societies Affairs Committee – Schedule D	59,778	52,856
WUSC – Schedule E	<u>46,289</u>	<u>40,426</u>
	<u>2,303,002</u>	<u>2,121,647</u>
<b>Expenditures</b>		
Finance – Schedule A	1,312,226	1,385,325
Social Activities and Planning – Schedule B	317,069	254,413
Student Centre – Schedule C	372,989	205,266
Academic Societies Affairs Committee – Schedule D	46,018	40,586
WUSC – Schedule E	<u>34,872</u>	<u>31,085</u>
	<u>2,083,174</u>	<u>1,916,675</u>
Excess of revenues over expenditures	<u>\$ 219,828</u>	<u>\$ 204,972</u>
Net assets, beginning of year	\$ 909,365	\$ 704,393
Net assets of amalgamating association (Note 4)	24,818	
Excess of revenues over expenditures	<u>219,828</u>	<u>204,972</u>
Net assets, end of year	<u>\$ 1,154,011</u>	<u>\$ 909,365</u>

See accompanying notes to the non-consolidated financial statements.

# **University of Toronto at Mississauga Students' Union** **Non-Consolidated Statement of Financial Position**

April 30,

2014

2013

## **Assets**

### **Current**

Cash	\$ 5,286	\$ 28,143
Short term investments (Note 5)	1,111,684	851,567
Receivables		11,425
Due from The Blind Duck	24,000	12,539
Prepays	<u>13,053</u>	<u>9,431</u>
	1,154,023	913,105

Property and equipment (Note 6) 33,392 43,453

Investment in The Blind Duck 1 1

\$ 1,187,416 \$ 956,559

## **Liabilities**

### **Current**

Payables and accruals (Note 7) \$ 33,405 \$ 47,194

## **Net assets**

Unrestricted 1,154,011 909,365

\$ 1,187,416 \$ 956,559

On behalf of the Board



President



Vice-President Internal & Services

See accompanying notes to the non-consolidated financial statements.

# University of Toronto at Mississauga Students' Union

## Non-Consolidated Statement of Cash Flows

Year Ended April 30,

2014

2013

Cash derived from (applied to)

### Operating

Excess of revenues over expenditures	\$ 219,828	\$ 204,972
Depreciation	10,061	13,309
Changes in non-cash operating working capital (below)	<u>(17,447)</u>	<u>45,221</u>
	<u>212,442</u>	<u>263,502</u>

### Investing

Purchase of property and equipment		(878)
Funds received on amalgamation	<u>24,818</u>	<u></u>

### Financing

Capital lease obligation		<u>(5,774)</u>
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Net increase in cash 237,260 256,850

Cash, beginning of year 879,710 622,860

Cash, end of year \$ 1,116,970 \$ 879,710

Cash includes the short term investments.

### Changes in non-cash operating working capital

Receivables	\$ 11,425	\$ (11,425)
Due from The Blind Duck	(11,461)	23,461
Prepays	(3,622)	500
Payables and accruals	<u>(13,789)</u>	<u>32,685</u>
	<u>\$ (17,447)</u>	<u>\$ 45,221</u>

See accompanying notes to the non-consolidated financial statements.

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# University of Toronto at Mississauga Students' Union

## Notes to the Non-Consolidated Financial Statements

April 30, 2014

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### 1. Form of organization

The University of Toronto at Mississauga Students' Union ("Students' Union") was incorporated without share capital under the laws of Ontario on August 2, 1983 and operates exclusively as a representative in promoting the welfare and interests of the full-time undergraduate students of the University of Toronto at Mississauga. Under the provisions of the Income Tax Act, the organization has tax exempt status.

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### 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 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 in which they have been earned and incurred respectively, whether or not such transactions have been finally settled by the receipt or payment of money.

#### Financial instruments

The Students' Union financial instruments 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.

#### Depreciation

Rates and basis of depreciation applied to write off the cost of property and equipment over their estimated lives is as follows:

Equipment, furniture and fixtures	20%, declining balance
Computer	30%, declining balance

#### Investment in The Blind Duck

The Blind Duck, an operating division, is accounted for by the cost method whereby the investment is recorded at its original cost.

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## University of Toronto at Mississauga Students' Union

### Notes to the Non-Consolidated Financial Statements

April 30, 2014

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#### 3. Non-Consolidated Financial Statements

These financial statements are prepared on the basis of accounting for the investment in The Blind Duck using the cost method instead of on a consolidated basis and in this respect are not, and are not intended to be in accordance with accounting standards for not-for-profit organizations. This basis of accounting is considered appropriate because the directors have access to all pertinent information concerning the resources and results of operations of the Pub and have consented to the preparation of non-consolidated financial statements for management purposes. As these financial statements have not been prepared for general purposes, some users may require further information.

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#### 4. Amalgamation of Erindale Part-Time Undergraduate Students Association ('EPUS')

EPUS was an association established to represent the interests of part-time students enrolled at University of Toronto at Mississauga. Those students will now receive representation through UTMSU.

In March 2013, a referendum was held in which a majority of students voted to dissolve EPUS effective August 31, 2013 and begin paying membership fees to UTMSU effective September 1, 2013.

The surplus of EPUS amounting to \$24,818 was transferred to UTMSU in October 2013. This transfer has been treated as a fund transfer.

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#### 5. Short term investments

Short term investments consist of redeemable and non-redeemable Guaranteed Investment Certificates with varying maturity dates up to May 2016, earning interest at rates between 1.55% and 2.25% (2013 – 1.25% and 1.80%).

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#### 6. Property and equipment

	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>2014 Net Book Value</u>	<u>2013 Net Book Value</u>
Equipment, furniture and fixtures	\$ 114,152	\$ 90,346	\$ 23,806	\$ 29,758
Computer	<u>61,571</u>	<u>51,985</u>	<u>9,586</u>	<u>13,695</u>
	<u>\$ 175,723</u>	<u>\$ 142,331</u>	<u>\$ 33,392</u>	<u>\$ 43,453</u>

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## University of Toronto at Mississauga Students' Union

### Notes to the Non-Consolidated Financial Statements

April 30, 2014

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#### 7. Payables and accruals

	<u>2014</u>	<u>2013</u>
Trade payables and accruals	\$ 33,405	\$ 32,314
Government remittances		<u>14,880</u>
	<u>\$ 33,405</u>	<u>\$ 47,194</u>

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#### 8. Incidental fees

Incidental fees received from the University of Toronto were received according to the following individual payments:

	<u>2014</u>	<u>2013</u>
June	\$ 43,456	\$ 40,093
July	21,728	20,047
September	308,345	292,893
January	197,162	159,397
March	<u>53,952</u>	<u>46,278</u>
	<u>\$ 624,643</u>	<u>\$ 558,708</u>

The above levy has been recorded in several different revenue accounts in the accounting records of the Students' Union. As such, the above amount is included in the following revenue line items in the schedules to the financial statements: Incidental fees (Schedule A), Blind Duck levy (Schedule A), ECSPERT levy (Schedule A), Services (Schedule A), Student levy (Schedule D) and Student levy (Schedule E).

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#### 9. Financial instruments

##### Interest rate risk

The interest rate risk is the risk to the Organization's operations that arises from fluctuations in interest rates and the degree of volatility of these rates. The Organization's excess cash are temporarily invested in cashable GICs bearing interest at current rates of approximately 1.55% to 2.25% per annum at June 30, 2014. The exposure to risk associated with fluctuation of the interest rates is minimal.

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**University of Toronto at Mississauga Students' Union**  
**Schedule to the Non-Consolidated Statement of**  
**Operations**  
**Finance - Schedule A**

Year Ended April 30,	2014	2013
<b>Revenues</b>		
Incidental fees	\$ 855,823	\$ 783,862
Blind Duck levy	88,263	80,935
ECSPERT levy	13,850	12,697
Locker income	24,320	24,160
Photocopier	121	175
Infobooth	249,249	277,930
Management fee	72,596	69,804
Services	160,455	152,466
Interest income	15,220	10,380
Other revenue	29,604	11,558
	<u>1,509,501</u>	<u>1,423,967</u>
<b>Expenditures</b>		
Blind Duck levy	88,256	80,935
Blind Duck equipment subsidy		11,455
ECSPERT levy	13,850	12,697
Advertising	12,151	15,098
Wages - office	598,093	592,072
Professional fees	32,608	20,963
Telephone	9,977	9,282
Office and general	16,281	18,132
Insurance	11,667	10,578
Elections	24,626	13,519
Bank charges and interest	8,469	9,133
Depreciation	10,061	13,309
Photocopier	7,992	16,141
Clubs	80,640	93,668
Services	206,991	273,162
Infobooth	153,094	165,814
Meetings	37,470	26,843
Repairs and maintenance		2,524
	<u>1,312,226</u>	<u>1,385,325</u>
Excess of revenues over expenditures	<u>\$ 197,275</u>	<u>\$ 38,642</u>

See accompanying notes to the non-consolidated financial statements.

**University of Toronto at Mississauga Students' Union**  
**Schedule to the Non-Consolidated Statement of**  
**Operations**  
**Social Activities and Planning - Schedule B**

Year Ended April 30,	2014	2013
Revenues		
Ministries	\$ 61,761	\$ 32,900
Graduation formal	66,187	48,406
Orientation	<u>208,454</u>	<u>182,733</u>
	<u>336,402</u>	<u>264,039</u>
Expenditures		
Ministries	128,657	91,697
Graduation formal	35,433	47,301
Orientation	<u>152,979</u>	<u>115,415</u>
	<u>317,069</u>	<u>254,413</u>
Excess of revenues over expenditures	<u>\$ 19,333</u>	<u>\$ 9,626</u>

See accompanying notes to the non-consolidated financial statements.

**University of Toronto at Mississauga Students' Union**  
**Schedule to the Non-Consolidated Statement of**  
**Operations**  
**Student Centre - Schedule C**

Year Ended April 30,	2014	2013
Revenues		
Student centre fee	\$ 340,952	\$ 330,279
Shuttle bus subsidy	5,080	5,080
Scotia Bank ABM	5,000	5,000
	<u>351,032</u>	<u>340,359</u>
Expenditures		
Wages - Info Booth	61,950	47,031
Management fee	72,596	69,804
Events and programming	7,979	13,532
Telephone	1,478	1,722
Repairs and maintenance	228,986	73,177
	<u>372,989</u>	<u>205,266</u>
Excess of (expenditures over revenues)		
revenues over expenditures	\$ (21,957)	\$ 135,093

See accompanying notes to the non-consolidated financial statements.

**University of Toronto at Mississauga Students' Union**  
**Schedule to the Non-Consolidated Statement of**  
**Operations**

**Academic Societies Affairs Committee - Schedule D**

Year Ended April 30,	2014	2013
<b>Revenues</b>		
Student levy	\$ 26,863	\$ 24,396
Dean's contribution	24,396	23,360
Grants and awards	<u>8,519</u>	<u>5,100</u>
	<u>59,778</u>	<u>52,856</u>
<b>Expenditures</b>		
UTM Anthropology Society	965	1,014
Erindale Biology Society	3,464	3,743
Erindale Chemistry and Physics Society	1,331	1,255
Undergraduate Economics Council	5,495	5,264
Student Association of Geography and Environment	2,038	2,186
UTM Historical Studies Society	3,006	2,987
CCIT Council	2,145	2,127
Student Management Association	855	1,010
Undergraduate Commerce Society	3,765	3,725
Mathematical and Computer Science Society	2,289	2,045
Political Science and Pre-Law Society	943	933
Psychology Association from Undergraduate Students of Erindale	3,513	3,663
Sociology and Criminology Society	3,641	3,248
Philosophy Academic Society	944	1,190
UTM English and Drama Society	2,204	2,509
Language Studies Academic Society	1,427	1,533
DVS Student Society	1,344	954
UTM Forensic Society	600	600
Concurrent Teacher Education Program	600	600
Academic Awards	<u>5,449</u>	<u>40,586</u>
	<u>46,018</u>	<u>40,586</u>
Excess of revenues over expenditures	\$ <u>13,760</u>	\$ <u>12,270</u>

See accompanying notes to the non-consolidated financial statements.

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**University of Toronto at Mississauga Students' Union**  
**Schedule to the Non-Consolidated Statement of**  
**Operations**  
**WUSC - Schedule E**

Year Ended April 30,	2014	2013
Revenues		
Student levy	\$ 46,289	\$ 40,426
Expenditures		
Services and programs	34,872	31,085
Excess of revenues over expenditures	\$ 11,417	\$ 9,341

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See accompanying notes to the non-consolidated financial statements.