

NON-CONSOLIDATED FINANCIAL STATEMENTS
UNIVERSITY OF TORONTO MISSISSAUGA STUDENTS' UNION

APRIL 30, 2024

DRAFT

UNIVERSITY OF TORONTO MISSISSAUGA STUDENTS' UNION

APRIL 30, 2024

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of:
University of Toronto Mississauga Students' Union

Opinion

We have audited the accompanying non-consolidated financial statements of **University of Toronto Mississauga Students' Union**, which comprise the non-consolidated statement of financial position as at April 30, 2024, and the non-consolidated statements of changes in net assets, operations and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying non-consolidated financial statements present fairly, in all material respects, the financial position of **University of Toronto Mississauga Students' Union** as at April 30, 2024, and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Non-Consolidated Financial Statements* section of our report. We are independent of **University of Toronto Mississauga Students' Union** in accordance with the ethical requirements that are relevant to our audit of the non-consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Non-Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the non-consolidated 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 non-consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the non-consolidated financial statements, management is responsible for assessing **University of Toronto Mississauga Students' Union's** ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate **University of Toronto Mississauga Students' Union** or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing **University of Toronto Mississauga Students' Union's** financial reporting process.

Auditors' Responsibilities for the Audit of the Non-Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the non-consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the non-consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 **University of Toronto Mississauga Students' Union's** internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on **University of Toronto Mississauga Students' Union's** ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the non-consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause **University of Toronto Mississauga Students' Union** to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the non-consolidated financial statements, including the disclosures, and whether the non-consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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Chartered Professional Accountants
Licensed Public Accountants

Toronto, Ontario
TBD

UNIVERSITY OF TORONTO MISSISSAUGA STUDENTS' UNION
NON-CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT APRIL 30, 2024

	<u>2024</u>	<u>2023</u>
ASSETS		
CURRENT		
Cash	\$ 9,514,856	\$ 7,558,681
Short-term investments (note 3)	2,406,074	2,325,322
Accounts receivable	38,221	116,258
Inventory	5,724	11,758
Prepaid expenses	39,043	7,346
Renovation deposits (note 4)	549,493	1,233,459
Loan to The Blind Duck (note 5)	<u>20,026</u>	<u>18,613</u>
	12,573,437	11,271,437
PROPERTY AND EQUIPMENT (note 6)	<u>144,197</u>	<u>163,337</u>
TOTAL ASSETS	<u>\$ 12,717,634</u>	<u>\$ 11,434,774</u>

LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities	\$ 182,304	\$ 123,550
Health and dental premiums payable	<u>1,137,725</u>	<u>649,016</u>
TOTAL LIABILITIES	<u>1,320,029</u>	<u>772,566</u>
NET ASSETS		
Internally restricted	6,061,380	5,410,024
Unrestricted	<u>5,336,225</u>	<u>5,252,184</u>
	<u>11,397,605</u>	<u>10,662,208</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 12,717,634</u>	<u>\$ 11,434,774</u>

APPROVED ON BEHALF OF THE BOARD

_____ Director

_____ Director

UNIVERSITY OF TORONTO MISSISSAUGA STUDENTS' UNION
NON-CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED APRIL 30, 2024

	<u>Unrestricted</u>	<u>Internally Restricted Health and Dental fund</u>	<u>Internally Restricted Wheelchair Accessibility Fund</u>	<u>2024</u>	<u>2023</u>
Net assets, beginning of year	\$ 5,252,184	\$ 4,868,710	\$ 541,314	\$ 10,662,208	\$ 9,366,756
Excess of revenue over expenditure for year	735,397	-	-	735,397	1,295,452
Inter-fund transfers (note 7)	<u>(651,356)</u>	<u>651,356</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net assets, end of year	<u>\$ 5,336,225</u>	<u>\$ 5,520,066</u>	<u>\$ 541,314</u>	<u>\$ 11,397,605</u>	<u>\$ 10,662,208</u>

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UNIVERSITY OF TORONTO MISSISSAUGA STUDENTS' UNION
NON-CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE YEAR ENDED APRIL 30, 2024

	<u>2024</u>	<u>2023</u>
REVENUES		
Finance (Schedule A)	\$ 2,683,628	\$ 2,517,781
Student centre (Schedule B)	435,860	418,478
Social activities and planning (Schedule C)	241,573	385,696
Academic societies affairs committee (Schedule D)	106,181	86,837
World university service of Canada levy received	73,907	63,455
Duck Stop (Schedule E)	60,427	54,817
	<u>3,601,576</u>	<u>3,527,064</u>
EXPENSES		
Finance (Schedule A)	1,952,579	1,900,383
Student centre (Schedule B)	869,822	174,410
Social activities and planning (Schedule C)	498,091	607,148
Academic societies affairs committee (Schedule D)	81,126	84,808
World university service of Canada services and programs	42,200	30,188
Duck Stop (Schedule E)	73,717	56,281
	<u>3,517,535</u>	<u>2,853,218</u>
EXCESS OF REVENUES OVER EXPENSES BEFORE OTHER ITEMS	84,041	673,846
OTHER INCOME (EXPENSES)		
Other levies (note 7)	651,356	655,308
Write off of advances to The Blind Duck (note 5)	-	(33,702)
	<u>651,356</u>	<u>621,606</u>
EXCESS OF REVENUES OVER EXPENSES	<u>\$ 735,397</u>	<u>\$ 1,295,452</u>

UNIVERSITY OF TORONTO MISSISSAUGA STUDENTS' UNION
NON-CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED APRIL 30, 2024

	<u>2024</u>	<u>2023</u>
CASH PROVIDED BY (USED IN)		
OPERATING ACTIVITIES		
Excess of revenues over expenses	\$ 735,397	\$ 1,295,452
Non-cash item:		
Accrued interest income	(22,293)	(6,317)
Amortization	28,971	42,335
Write off of advances to The Blind Duck	-	33,702
	742,075	1,365,172
Non-cash working capital:		
Decrease (increase) in accounts receivable	78,037	(40,908)
Decrease (increase) in inventory	6,034	(2,862)
Decrease (increase) in prepaid expenses	(31,697)	4,742
Decrease (increase) in renovation deposits	683,966	(1,233,459)
Decrease (increase) in loan due from The Blind Duck	(1,413)	1,176
Increase in accounts payable and accrued liabilities	58,754	51,496
Increase (decrease) in health and dental premiums payable	488,709	(259,427)
	2,024,465	(114,070)
INVESTING ACTIVITIES		
Maturity of short-term investments	705,093	2,278,647
Purchase of short-term investments	(763,552)	(2,295,667)
Purchase of property and equipment	(9,831)	(9,269)
	(68,290)	(26,289)
NET CHANGE IN CASH	1,956,175	(140,359)
CASH, Beginning of year	7,558,681	7,699,040
CASH, End of year	\$ 9,514,856	\$ 7,558,681

See accompanying notes

UNIVERSITY OF TORONTO MISSISSAUGA STUDENTS' UNION

NOTES TO NON-CONSOLIDATED FINANCIAL STATEMENTS

APRIL 30, 2024

1. PURPOSE OF THE ORGANIZATION

The University of Toronto Mississauga Students' Union (the "Students' Union") was incorporated without share capital under the laws of Ontario on August 2, 1983 as a not-for-profit organization and is exempt from tax under the Income Tax Act.

The Students' Union operates exclusively as a representative in promoting the welfare and interest of the full-time undergraduate students of the University of Toronto at Mississauga.

2. SIGNIFICANT ACCOUNTING POLICIES

These non-consolidated financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies.

Revenue recognition

The Students' Union follows the deferral method of accounting for contributions. Restricted contributions, in the form of health and dental levies and contributions to the wheelchair accessibility fund are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when they are received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

All levies, fees, grants and awards and interest revenues are recognized as revenue in the fiscal period in which they are earned.

Infobooth, photocopier, lockers, services and other revenues are recognized as revenue when received.

All social activities and planning revenues, including graduation formal, ministries and orientation, are recognized as revenue when the event takes place.

All Duck Stop sales revenue is recognized as revenue when the sale occurs.

Use of estimates

The preparation of the non-consolidated 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 and disclosure of contingent assets and liabilities at the date of the non-consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Inventory

Inventory primarily consists of movie admission and other tickets. It is valued at the lower of cost and net realizable value on a first-in first-out (FIFO) basis.

UNIVERSITY OF TORONTO MISSISSAUGA STUDENTS' UNION

NOTES TO NON-CONSOLIDATED FINANCIAL STATEMENTS

APRIL 30, 2024

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Property and equipment

Purchased property and equipment are recorded at acquisition cost. Contributed property and equipment are recorded at their fair value at the date of contribution. Amortization is recorded in the accounts at rates intended to write off the cost of the assets over their estimated useful life using the declining balance method at the following rates:

Furniture and fixtures	20%
Computer equipment	30%

Presentation of controlled organization

The Students' Union is the sole member of The Blind Duck which represents a restaurant located in The University of Toronto Mississauga Student Centre. The financial statements for this organization have not been consolidated, see note 9.

The restaurant is a not-for-profit organization that operates as an on-campus restaurant that also hosts events organized by the various clubs within The University of Toronto Mississauga.

Volunteer time

The value of volunteer time of board members and other volunteer services is not reflected in these non-consolidated financial statements due to the difficulty in determining of the fair market value.

Financial instrument measurement

The Students' Union initially measures its financial assets and financial liabilities at fair value. It subsequently measures all its financial assets and financial liabilities at amortized cost.

Financial assets subsequently measured at amortized cost include cash, short-term investment, accounts receivable and loan to The Blind Duck. Financial liabilities measured at amortized cost include the accounts payable and accrued liabilities and health and dental premiums payable.

3. SHORT-TERM INVESTMENTS

The various term deposits bear an interest rate of 4% with maturities ranging from 12 months to 18 months.

4. COMMITMENT

During the year, the Students' Union agreed to cover the costs associated with a full roof replacement of the University of Toronto Mississauga (UTM) Student Centre. The construction is being managed by UTM. The total budgeted amount of \$1,257,466 was transferred to the University, from which payments will be made. As at April 30, 2024, \$683,966 of these funds had been spent on the renovations to date. Should the cost of the replacement exceed the amount advanced to the University, the Students' Association will be responsible for the additional cost.

UNIVERSITY OF TORONTO MISSISSAUGA STUDENTS' UNION

NOTES TO NON-CONSOLIDATED FINANCIAL STATEMENTS

APRIL 30, 2024

5. LOAN TO BLIND DUCK

Advances to The Blind Duck are non-interest bearing, unsecured and are due on demand.

6. PROPERTY AND EQUIPMENT

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	
			<u>2024</u>	<u>2023</u>
Furniture and fixtures	\$ 414,342	\$ 295,434	\$ 118,908	\$ 147,821
Computer equipment	<u>125,432</u>	<u>100,143</u>	<u>25,289</u>	<u>15,516</u>
	<u>\$ 539,774</u>	<u>\$ 395,577</u>	<u>\$ 144,197</u>	<u>\$ 163,337</u>

7. LEVIES

	<u>2024</u>	<u>2023</u>
<u>Health and Dental Fund</u>		
Opening balance	\$ 4,868,710	\$ 4,213,402
Health and dental funds received	6,081,807	5,243,600
Health and dental funds spent	<u>(5,430,451)</u>	<u>(4,588,292)</u>
Ending balance	<u>\$ 5,520,066</u>	<u>\$ 4,868,710</u>
<u>Wheelchair Accessibility Fund</u>		
Opening balance	\$ 541,314	\$ 541,314
Wheelchairs accessibility funds received	-	-
Wheelchairs accessibility funds spent	-	-
Ending balance	<u>\$ 541,314</u>	<u>\$ 541,314</u>
Total restricted levies	<u>\$ 6,061,380</u>	<u>\$ 5,410,024</u>

Starting in 2019-2020, the Students' Union started its own health and dental plan which is funded through the "Health and Dental" levy collected by the University of Toronto on behalf of the Students' Union. The students have the ability to opt-out of this plan, and the cost of the opt-out clause is captured in "health and dental funds spent".

8. FINANCIAL INSTRUMENTS

It is management's opinion that the Student Union is not subject to significant risks with respect to its financial instruments.

UNIVERSITY OF TORONTO MISSISSAUGA STUDENTS' UNION

NOTES TO NON-CONSOLIDATED FINANCIAL STATEMENTS

APRIL 30, 2024

9. CONTROLLED ORGANIZATION

The Blind Duck

	<u>2024</u>	<u>2023</u>
<u>Statement of Financial Position</u>		
Total assets	\$ <u>103,059</u>	\$ <u>139,309</u>
Total liabilities	49,731	45,625
Net assets	<u>53,328</u>	<u>93,684</u>
Total liabilities and net assets	\$ <u>103,059</u>	\$ <u>139,309</u>
<u>Statement of Operations</u>		
Total revenues	\$ 873,815	\$ 778,391
Total expenses	<u>914,171</u>	<u>785,923</u>
Deficiency of revenues over expenses	\$ <u>(40,356)</u>	\$ <u>(7,532)</u>
<u>Statement of Cash Flows</u>		
Cash provided by (used in) operating activities	\$ (37,177)	\$ (26,510)
Cash used in investing activities	<u>-</u>	<u>(1,630)</u>
Net change in cash	\$ <u>(37,177)</u>	\$ <u>(28,140)</u>

10. COMPARATIVE FIGURES

Certain figures for the year ending April 30, 2022 have been reclassified to conform to the presentation adopted in 2023.

UNIVERSITY OF TORONTO MISSISSAUGA STUDENTS' UNION

SCHEDULE A - FINANCE

FOR THE YEAR ENDED APRIL 30, 2024

	<u>2024</u>	<u>2023</u>
<u>FINANCE</u>		
REVENUES		
Incidental fees	\$ 2,085,755	\$ 1,965,675
Services	140,989	174,743
The Blind Duck levy	124,986	122,393
Interest	98,453	48,466
Management fee	80,000	80,000
Infobooth	63,203	64,955
Subsidies and miscellaneous	42,835	24,479
ECSPERT levy	24,713	22,752
UPASS Levy	12,151	3,299
Lockers	9,505	7,882
Donations	1,038	3,137
	<u>2,683,628</u>	<u>2,517,781</u>
EXPENSES		
Wages - office	878,490	828,386
Designated levies	436,010	379,263
Services	137,810	210,052
The Blind Duck levy	124,986	122,393
Clubs	94,484	75,894
Meetings	33,781	49,593
Elections	69,600	43,610
Amortization	28,971	42,335
Professional fees	28,314	40,973
Infobooth	41,620	32,625
Office and general	34,983	31,748
ECSPERT levy	24,713	22,752
Insurance	7,691	10,832
Bank charges and interest	4,917	5,361
Telephone	2,321	3,321
Photocopier	640	1,245
Advertising	3,248	-
	<u>1,952,579</u>	<u>1,900,383</u>
EXCESS OF REVENUES OVER EXPENSES	<u>\$ 731,049</u>	<u>\$ 617,398</u>

UNIVERSITY OF TORONTO MISSISSAUGA STUDENTS' UNION

SCHEDULE B - STUDENT CENTRE

FOR THE YEAR ENDED APRIL 30, 2024

	<u>2024</u>	<u>2023</u>
<u>STUDENT CENTRE</u>		
REVENUES		
Student Centre fee	\$ 425,780	\$ 408,398
Scotiabank ABM	5,000	5,000
Shuttle bus subsidy	<u>5,080</u>	<u>5,080</u>
	<u>435,860</u>	<u>418,478</u>
EXPENSES		
Repairs and maintenance	727,876	44,107
Management fee	80,000	80,000
Wages-Infobooth	<u>61,946</u>	<u>50,303</u>
	<u>869,822</u>	<u>174,410</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	<u>\$ (433,962)</u>	<u>\$ 244,068</u>

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UNIVERSITY OF TORONTO MISSISSAUGA STUDENTS' UNION

SCHEDULE C - SOCIAL ACTIVITIES AND PLANNING

FOR THE YEAR ENDED APRIL 30, 2024

	<u>2024</u>	<u>2023</u>
<u>SOCIAL ACTIVITIES AND PLANNING</u>		
REVENUES		
Orientation	\$ 181,459	\$ 292,302
Others	35,320	37,340
Ministries	<u>24,794</u>	<u>56,054</u>
	<u>241,573</u>	<u>385,696</u>
EXPENSES		
Orientation	370,505	462,208
Ministries	88,160	105,067
Others	<u>39,426</u>	<u>39,873</u>
	<u>498,091</u>	<u>607,148</u>
DEFICIENCY OF REVENUES OVER EXPENSES	<u>\$ (256,518)</u>	<u>\$ (221,452)</u>

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UNIVERSITY OF TORONTO MISSISSAUGA STUDENTS' UNION
SCHEDULE D - ACADEMIC SOCIETIES AFFAIRS COMMITTEE
FOR THE YEAR ENDED APRIL 30, 2024

	<u>2024</u>	<u>2023</u>
<u>ACADEMIC SOCIETIES AFFAIR COMMITTEE</u>		
REVENUES		
Deans' contribution	\$ 47,975	\$ 37,212
Student levy	47,956	44,375
Grants and awards	<u>10,250</u>	<u>5,250</u>
	<u>106,181</u>	<u>86,837</u>
EXPENSES		
Academic societies	77,126	76,261
Administration fees	-	8,547
Academic awards	<u>4,000</u>	<u>-</u>
	<u>81,126</u>	<u>84,808</u>
EXCESS OF REVENUES OVER EXPENSES	<u>\$ 25,055</u>	<u>\$ 2,029</u>

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UNIVERSITY OF TORONTO MISSISSAUGA STUDENTS' UNION

SCHEDULE E - DUCK STOP

FOR THE YEAR ENDED APRIL 30, 2024

	<u>2024</u>	<u>2023</u>
<u>DUCK STOP</u>		
REVENUES		
Food	\$ 33,197	\$ 35,229
Beverages	24,864	16,517
Stationery	1,187	1,435
Sundries	<u>1,179</u>	<u>1,636</u>
	60,427	54,817
Cost of sales	<u>50,660</u>	<u>35,901</u>
Gross Profit	<u>9,767</u>	<u>18,916</u>
EXPENSES		
Wages	22,326	19,731
Flex charges	<u>731</u>	<u>649</u>
	<u>23,057</u>	<u>20,380</u>
DEFICIENCY OF REVENUES OVER EXPENSES	<u>\$ (13,290)</u>	<u>\$ (1,464)</u>

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