

**Dalhousie Student Union Inc.**

Financial Statements  
**March 31, 2017**

DRAFT

\_\_\_\_\_, 2018

## **Independent Auditor's Report**

### **To the Members of Dalhousie Student Union Inc.**

We have audited the accompanying financial statements of **Dalhousie Student Union Inc.** (the "Student Union"), which comprise the statement of financial position as at March 31, 2017, and the statements of revenues and expenses, changes in net assets and cash flows for the year then ended and the related notes, which comprise 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.

#### **Auditor's 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 auditor's 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.

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

**Basis for qualified opinion**

In common with many not-for-profit organizations, the Student Union derives some of its revenues from ticket sales, food and bar services and advertising, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Student Union. Therefore, we were not able to determine whether any adjustments might be necessary to revenues, excess of revenues over expenses and cash flows from operations for the year ended March 31, 2017, current assets as at March 31, 2017 and net assets at both the beginning and end of the year ended March 31, 2017.

**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 the Student Union as at March 31, 2017, 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.

**Chartered Professional Accountants, Licensed Public Accountants**

## Dalhousie Student Union Inc.

## Statement of Financial Position

As at March 31, 2017

	2017 \$	2016 \$
<b>Assets</b>		
<b>Current assets</b>		
Cash	176,544	192,715
Amounts receivable		
Dalhousie University	1,367,199	1,807,946
Other	664,648	596,933
Inventories	41,703	39,078
Prepaid expenses	31,993	35,203
	<u>2,282,087</u>	<u>2,671,875</u>
Restricted cash	1,719,289	1,479,726
Investments, at market value (note 3)	3,058,835	2,835,107
Capital assets and intangibles (note 4)	8,807,629	4,562,652
	<u>15,867,840</u>	<u>11,549,360</u>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	761,737	1,259,728
Current portion of long-term debt	190,000	62,000
Other liabilities	312,379	48,987
	<u>1,264,116</u>	<u>1,370,715</u>
Fair value of interest rate swap	748,867	-
<b>Long-term debt</b> (note 8)	<u>6,763,000</u>	<u>2,416,054</u>
	<u>8,775,983</u>	<u>3,786,769</u>
<b>Net assets</b>		
Unrestricted net assets	1,490,150	2,207,231
Internally restricted net assets (note 5)	5,601,707	5,555,360
	<u>7,091,857</u>	<u>7,762,591</u>
	<u>15,867,840</u>	<u>11,549,360</u>

## Approved by the Board of Directors

\_\_\_\_\_ Director \_\_\_\_\_ Director

The accompanying notes are an integral part of these financial statements.

## Dalhousie Student Union Inc.

## Statement of Revenues and Expenses

For the year ended March 31, 2017

	Operating fund budget 2017 \$	Operating fund actual 2017 \$	Internally restricted fund actual 2017 \$	2017 \$	2016 \$
<b>Revenues</b>					
Bar services	648,058	604,971	—	604,971	520,308
Contracts	121,670	120,422	—	120,422	94,717
Council administration	—	35,599	—	35,599	—
Food service	78,258	98,900	—	98,900	108,810
Health plan	—	—	2,875,933	2,875,933	2,787,087
International Health Plan	—	—	1,462,433	1,462,433	1,338,167
Investment income	2,035	99,091	128,308	227,399	(72,145)
Phone line	—	5,188	—	5,188	35,158
Programming and initiatives	410,902	387,842	—	387,842	306,381
Orientation surplus	—	—	—	—	58,363
Retail services	120,568	115,744	—	115,744	131,665
S.U.B. operations	61,998	91,618	—	91,618	54,145
S.U.B. reservations	99,903	99,665	—	99,665	77,584
Shuttle bus	—	5,000	—	5,000	—
Student Union fees, net	1,276,724	1,193,040	559,501	1,752,541	1,754,100
	<u>2,820,116</u>	<u>2,857,080</u>	<u>5,026,175</u>	<u>7,883,255</u>	<u>7,194,340</u>
<b>Expenses</b>					
Amortization	—	22,017	449,966	471,983	133,039
Bar services	696,989	655,756	—	655,756	655,586
Council administration	377,003	377,373	—	377,373	384,193
External affairs	27,619	29,653	—	29,653	23,250
Food service	23,743	34,108	—	34,108	28,527
Furniture and fixtures	16,425	14,196	—	14,196	2,519
Grants	46,095	67,531	—	67,531	46,916
Health plan	—	—	3,020,104	3,020,104	2,824,377
Interest expense and bank charges	—	71,454	—	71,454	—
International Health Plan	—	—	1,458,310	1,458,310	1,190,283
Orientation surplus	—	—	—	—	—
Phone line	—	17,117	—	17,117	25,787
Programming and initiatives	445,180	471,124	—	471,124	422,017
Retail services	131,006	124,805	—	124,805	137,580
S.U.B. operations	846,440	846,695	—	846,695	830,114
S.U.B. reservations	62,180	64,056	—	64,056	61,128
Shuttle bus	22,305	29,409	—	29,409	23,408
Student Union fees, net	—	—	51,448	51,448	32,397
	<u>2,694,985</u>	<u>2,825,294</u>	<u>4,979,828</u>	<u>7,805,122</u>	<u>6,821,121</u>
<b>Excess of revenue over expenses from operations for the year</b>	<u>125,131</u>	<u>31,786</u>	<u>46,347</u>	<u>78,133</u>	<u>373,219</u>
Loss on interest rate swap	—	748,867	—	748,867	—
<b>Excess of expenses over revenue for the year</b>	<u>125,131</u>	<u>(717,081)</u>	<u>46,347</u>	<u>(670,734)</u>	<u>373,219</u>

The accompanying notes are an integral part of these financial statements.