

Dalhousie Student Union Inc.

Financial Statements

March 31, 2018



October 31, 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, 2018 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 audit opinion.

Basis for qualified opinion

In common with many not-for-profit organizations, the Student Union derives revenue from ticket sales, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of programming and initiatives 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 (expenses over revenues) and cash flows from operations for the years ended March 31, 2018 and March 31, 2017, current assets as at March 31, 2018 and March 31, 2017 and net assets as at both the beginning and the end of the years ended March 31, 2018 and March 31, 2017. Our audit opinion on the financial statements for the year ended March 31, 2017 was modified accordingly because of the possible effects of this limitation in scope.

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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 Dalhousie Student Union Inc. as at March 31, 2018 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.

PricewaterhouseCoopers LLP

Chartered Professional Accountants, Licensed Public Accountants

Dalhousie Student Union Inc.

Statement of Financial Position

As at March 31, 2018

	2018 \$	2017 \$
Assets		
Current assets		
Cash	163,387	176,544
Amounts receivable		
Dalhousie University	1,814,693	1,367,199
Other	576,460	664,648
Inventories	41,504	41,703
Prepaid expenses	36,096	31,993
	<u>2,632,140</u>	<u>2,282,087</u>
Restricted cash	2,417,585	1,719,289
Investments, at market value (note 3)	3,079,454	3,058,835
Capital assets and intangibles (note 4)	8,371,813	8,807,629
	<u>16,500,992</u>	<u>15,867,840</u>
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	1,512,560	761,737
Current portion of long-term debt (note 8)	196,000	190,000
Other liabilities	484,223	312,379
	<u>2,192,783</u>	<u>1,264,116</u>
Interest rate swap (note 8)	421,836	748,867
Long-term debt (note 8)	6,568,000	6,763,000
	<u>9,182,619</u>	<u>8,775,983</u>
Net assets		
Unrestricted net assets	1,909,545	1,490,150
Internally restricted net assets (note 5)	5,408,828	5,601,707
	<u>7,318,373</u>	<u>7,091,857</u>
	<u>16,500,992</u>	<u>15,867,840</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, 2018

	Operating fund budget \$	Operating fund actual \$	Internally restricted fund actual \$	2018 \$	2017 \$
Revenues					
Bar services	726,514	660,968	–	660,968	604,971
Contracts	130,308	128,390	–	128,390	120,422
Council administration	–	–	–	–	35,599
Food services	141,705	141,705	–	141,705	98,900
Health plan	–	–	3,153,180	3,153,180	2,875,933
International health plan	–	–	2,141,875	2,141,875	1,462,433
Investment income (note 6)	1,173	23,554	8,406	31,960	227,399
Phone line	–	–	–	–	5,188
Programming and initiatives	403,039	358,817	–	358,817	387,842
Retail services	113,334	112,195	–	112,195	115,744
S.U.B. operations	68,123	85,047	–	85,047	91,618
S.U.B. reservations	130,040	129,970	–	129,970	99,665
Shuttle bus	–	–	–	–	5,000
Student Union fees, net	1,187,144	1,207,354	570,108	1,777,462	1,752,541
	<u>2,901,380</u>	<u>2,848,000</u>	<u>5,873,569</u>	<u>8,721,569</u>	<u>7,883,255</u>
Expenses					
Amortization	–	20,958	453,737	474,695	471,983
Bar services	770,695	742,567	–	742,567	655,756
Council administration	355,737	319,881	–	319,881	377,373
External affairs	36,251	32,790	–	32,790	29,653
Food services	22,118	35,795	–	35,795	34,108
Furniture and fixtures	14,852	8,975	–	8,975	14,196
Grants	54,695	51,024	–	51,024	67,531
Health plan	–	–	3,386,977	3,386,977	3,020,104
Interest expense and bank charges	–	–	248,709	248,709	71,454
International health plan	–	–	1,937,891	1,937,891	1,458,310
Phone line	–	–	–	–	17,117
Programming and initiatives	485,588	467,517	–	467,517	471,124
Retail services	126,499	119,687	–	119,687	124,805
S.U.B. operations	891,180	873,742	–	873,742	846,695
S.U.B. reservations	63,172	65,682	–	65,682	64,056
Shuttle bus	23,806	17,018	–	17,018	29,409
Student Union fees, net	–	–	39,134	39,134	51,448
	<u>2,844,593</u>	<u>2,755,636</u>	<u>6,066,448</u>	<u>8,822,084</u>	<u>7,805,122</u>
Excess of revenues over expenses (expenses over revenues) for the year before the following:	<u>56,787</u>	<u>92,364</u>	<u>(192,879)</u>	<u>(100,515)</u>	<u>78,133</u>
Unrealized gain (loss) on fair value of on interest rate swap	–	327,031	–	327,031	(748,867)
Excess of revenues over expenses (expenses over revenues) for the year	<u>56,787</u>	<u>419,395</u>	<u>(192,879)</u>	<u>226,516</u>	<u>(670,734)</u>

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