

**Algoma University Students' Union**  
**Financial Statements**  
For the year ended April 30, 2018

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## Independent Auditor's Report

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### To the Members of Algoma University Students' Union

We have audited the accompanying financial statements of Algoma University Students' Union, which comprise the statement of financial position as at April 30, 2018 and the statements of operations and net assets 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 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 audit opinion.

#### ***Opinion***

In our opinion, the financial statements present fairly, in all material respects, the financial position of Algoma University Students' Union as at April 30, 2018, and the results of operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Chartered Professional Accountants, Licensed Public Accountants

Sault Ste. Marie, Ontario  
November 26, 2018

**Algoma University Students' Union**  
**Statement of Financial Position**

April 30	2018	2017
<b>Assets</b>		
<b>Current</b>		
Cash	\$ 161,612	\$ 130,131
Due from Algoma University	1,534	1,662
	<u>\$ 163,146</u>	<u>\$ 131,793</u>
<b>Liabilities and Net Assets</b>		
<b>Current</b>		
Accounts payable and accrued liabilities	\$ 11,495	\$ 5,061
Due to Algoma University	20,681	-
	<u>32,176</u>	<u>5,061</u>
<b>Net assets (Note 3)</b>	<u>130,970</u>	<u>126,732</u>
	<u>\$ 163,146</u>	<u>\$ 131,793</u>

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

**Algoma University Students' Union**  
**Statement of Operations and Net Assets**

<b>For the year ended April 30</b>	<b>2018</b>	<b>2017</b>
<b>Revenue</b>		
Student fees	\$ 168,524	\$ 183,029
Insurance premiums	175,530	175,850
Events	4,474	5,567
Other	15,987	8,880
	<u>364,515</u>	<u>373,326</u>
<b>Expenses</b>		
Clubs and services	-	12,858
Conferences and travel	16,342	13,404
Donations and sponsorships	3,774	3,190
Events	17,379	25,081
Furniture and equipment	1,302	356
Honorariums	9,400	9,938
Insurance, fees and dues	2,786	4,058
Orientation	13,527	22,010
Postage, stationery and office supplies	8,220	7,162
Professional fees	5,630	5,085
Satellite campuses - student life programming	6,177	8,300
Shingwauk Aboriginal Students' Association	30,000	30,000
Student health plan	169,178	188,956
Wages and benefits	76,562	84,873
	<u>360,277</u>	<u>415,271</u>
<b>Excess (deficiency) of revenues over expenses</b>	<b>4,238</b>	<b>(41,945)</b>
<b>Net assets, beginning of year</b>	<b>126,732</b>	<b>168,677</b>
<b>Net assets, end of year</b>	<b>\$ 130,970</b>	<b>\$ 126,732</b>

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

**Algoma University Students' Union**  
**Statement of Cash Flows**

<b>For the year ended April 30</b>	<b>2018</b>	<b>2017</b>
<b>Cash flows from operating activities</b>		
Excess (deficiency) of revenue over expenses	\$ 4,238	\$ (41,945)
Changes in non-cash working capital balances		
Due from Algoma University	128	(724)
Accounts payable and accrued liabilities	6,434	(5,715)
Due to Algoma University	<u>20,681</u>	<u>-</u>
<b>Increase (decrease) in cash</b>	<b>31,481</b>	<b>(48,384)</b>
<b>Cash, beginning of year</b>	<b><u>130,131</u></b>	<b><u>178,515</u></b>
<b>Cash, end of year</b>	<b>\$ 161,612</b>	<b>\$ 130,131</b>

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

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# Algoma University Students' Union

## Notes to Financial Statements

April 30, 2018

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### 1. Summary of significant accounting policies

**Nature of Operations** The organization was incorporated without share capital under the laws of Ontario. Its objectives are to promote student endeavours, protect educational interests of its members and to foster student spirit. The organization has claimed exemption from taxation pursuant to section 149 of the Income Tax Act.

**Basis of Accounting** The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

**Revenue Recognition** The organization follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

**Tangible Capital Assets** Tangible capital assets are recorded as expenses at the time of purchase. Major categories of tangible capital assets not recorded in these financial statements include furniture, equipment and computers.

**Use of Estimates** The preparation of financial statements in accordance 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 at the date of the financial statements, and the reported revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

**Financial Instruments** Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, they are reported at cost or amortized cost less impairment, if applicable. Financial assets are tested for impairment when changes in circumstances indicate the asset could be impaired.

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### 2. Government remittances payable

There were no government remittances payable at year end.

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### 3. Net assets

	<u>2018</u>	<u>2017</u>
Insurance premium stabilization fund	\$ 81,333	\$ 74,329
Unrestricted net assets	49,637	52,403
	<u>\$ 130,970</u>	<u>\$ 126,732</u>

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# Algoma University Students' Union

## Notes to Financial Statements

April 30, 2018

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#### 4. Economic dependence

Algoma University Students' Union has an agreement with Algoma University to collect student fees on behalf of the Algoma University Students' Union. The funds are used to administer its operations and provide services to its members.

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#### 5. Financial instrument risks

The organization's management monitors, evaluates and manages the principal risks assumed with financial instruments on a daily basis. The risks that arise from transacting financial instruments include liquidity risk, credit and concentration of credit risk.

##### *Liquidity risk*

Liquidity risk arises from the organization's management of accounts payable. It is the risk that the organization will encounter difficulty in meeting its financial obligations as they fall due. The organization's policy to minimize this risk is to monitor their daily cash flow in order to meet its financial obligations. Algoma University will also advance the organization funds to cover expenses if necessary.

##### *Credit and concentration of credit risk*

Credit risk arises principally from the organization's accounts receivable. The organization is exposed to normal credit risk resulting from the possibility that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. All of the organization's receivables are from student fees collected by Algoma University on the organization's behalf.