

Arts & Sciences Students'
Union University of Toronto
Financial Statements
April 30, 2018

Arts & Sciences Students' Union University of Toronto
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For the year ended April 30, 2018

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Independent Auditors' Report

To the Members of Arts & Sciences Students' Union University of Toronto:

We have audited the accompanying financial statements of Arts & Sciences Students' Union University of Toronto, which comprise the statement of financial position as at April 30, 2018, and the statements of operations and changes in 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.

Auditors' 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 auditors' 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

The Organization derives revenue from sales and other miscellaneous income, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Organization, and we were not able to determine whether any adjustments might be necessary to these sources of revenue, deficiency of revenue over expenses, assets and net assets.

Qualified Opinion

In our opinion, except for the 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 Arts & Sciences Students' Union University of Toronto as at April 30, 2018 and the results of its operations, changes in net assets and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Mississauga, Ontario

August 10, 2018

MNP LLP

Chartered Professional Accountants

Licensed Public Accountants

MNP

Arts & Sciences Students' Union University of Toronto

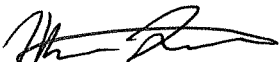
Statement of Financial Position

As at April 30, 2018

	2018	2017
Assets		
Current		
Cash	173,500	288,375
Short-term investment (Note 4)	150,000	251,403
Prepaid expenses and deposits	2,154	3,554
	325,654	543,332
Investment (Note 4)	255,000	-
	580,654	543,332
Liabilities		
Current		
Accounts payable and accrued liabilities	38,166	30,312
Net Assets	542,488	513,020
	580,654	543,332

Approved on behalf of the Council

Haseeb A.
President


Treasurer

The accompanying notes are an integral part of these financial statements

Arts & Sciences Students' Union University of Toronto

Statement of Operations and Changes in Net Assets

For the year ended April 30, 2018

	2018 Budget (Note 6)	2018	2017
Revenue			
Receipts - student fees	510,000	520,158	512,620
Sales and miscellaneous income	15,000	17,049	19,876
Interest income	1,800	5,788	6,599
	526,800	542,995	539,095
Expenditures			
Salaries and benefits	290,000	297,581	279,818
Course union grants (net of recoveries)	155,000	118,110	150,212
Awards and bursaries	26,500	21,259	25,975
Honorarium	12,500	11,965	11,965
Photocopier leases and copying supplies	10,000	11,250	7,586
Audit	10,501	10,501	10,501
Office	10,344	9,342	10,645
Orientation and socials	9,000	8,222	7,559
Undergraduate travel	7,000	7,240	7,987
Donations	4,500	3,118	4,350
Undergraduate research	10,000	2,958	10,000
Seminars	8,000	2,849	10,225
Exam jam	4,500	2,174	5,401
Insurance	1,900	1,963	1,888
Conference and meetings	3,000	1,422	1,263
Telephone and fax	1,900	1,245	1,659
Campaigns	3,000	1,213	3,205
Tutoring	1,200	583	1,098
T-shirts and caps	1,000	314	376
Bank charges	400	218	269
Referendum	-	-	860
Miscellaneous	500	-	-
	570,745	513,527	552,842
Excess (deficiency) of revenue over expenditures	(43,945)	29,468	(13,747)
Net assets, beginning of year		513,020	526,767
Net assets, end of year		542,488	513,020

The accompanying notes are an integral part of these financial statements

Arts & Sciences Students' Union University of Toronto
Statement of Cash Flows
For the year ended April 30, 2018

	2018	2017
Cash provided by (used for) the following activities		
Operating		
Cash receipts from students and others	537,207	532,496
Interest received	7,191	7,122
Cash paid to suppliers and employees	(504,273)	(554,068)
	40,125	(14,450)
Investing		
Purchase of investments	(405,000)	(250,000)
Proceeds on disposal of short-term investments	250,000	250,000
	(155,000)	-
Decrease in cash	(114,875)	(14,450)
Cash, beginning of year	288,375	302,825
Cash, end of year	173,500	288,375

The accompanying notes are an integral part of these financial statements

Arts & Sciences Students' Union University of Toronto
Notes to the Financial Statements
For the year ended April 30, 2018

1. Nature of the Organization

Arts & Sciences Students' Union University of Toronto (the "Organization") is the academic student union for full-time undergraduate students in the Faculty of Arts and Science at the University of Toronto. The Organization is dedicated to improve, and to provide services for the improvement of, the education and academic life of undergraduates in the faculty. The Organization is a not-for-profit organization under the Income Tax Act and accordingly is exempt from income taxes.

2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations set out in Part III of the CPA Canada Handbook - Accounting, as issued by the Accounting Standards Board in Canada, and include the following significant accounting policies:

Financial instruments

The Organization recognizes its financial instruments when the Organization becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value, including financial assets and liabilities originated and issued in a related party transaction with management.

At initial recognition, the Organization may irrevocably elect to subsequently measure any financial instrument at fair value.

The Organization subsequently measures investments in equity instruments quoted in an active market at fair value. Investments in equity instruments not quoted in an active market are subsequently measured at cost less impairment. With the exception of financial liabilities indexed to a measure of the Organization's performance or value of its equity and those instruments designated at fair value, all other financial assets and liabilities are subsequently measured at amortized cost.

Financial assets measured at amortized cost include cash and short-term investments. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

Impairment of financial instruments

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. The amount of the write down is recognized in excess of revenue over expenditures. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in excess of revenue over expenditures.

Revenue recognition

Fee revenue is recognized when it is received and is available for use by the Organization. Sales of examination materials and miscellaneous items are recognized as earned when products have been released and paid for by the students. Other miscellaneous revenue which includes photocopying and rental of lockers is recognized when the service has been provided. Interest on bank balances is recognized as earned when credited by the financial institutions at each month-end.

Contributed services

Contributions of services are recognized both as contributions and expenses in the statement of operations when a fair value can be reasonably estimated and when the services are used in the normal course of the Organization's operations and would otherwise have been purchased.

Volunteers contribute significant time to assist the Organization in carrying out its mandate. Due to the difficulty in determining their fair value, these contributed services are not recognized in the financial statements.

Measurement uncertainty (use of estimates)

The preparation of 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 financial statements, and the reported amounts of revenues and expenditures during the reporting period.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenues and expenditures in the periods in which they become known.

Arts & Sciences Students' Union University of Toronto
Notes to the Financial Statements
For the year ended April 30, 2018

3. Line of credit

The Organization has an overdraft line of credit amounting to \$15,000 with Alterna Savings ("Alterna"). The line of credit is subject to interest at 9.20% (2017 - 8.45%). As at April 30, 2018 and 2017, no amounts have been drawn on the line of credit.

4. Investments

Short-term investment consists of a guaranteed investment certificate earning interest at 0.850% maturing April 2019.

Long-term investment consists of a guaranteed investment certificate earning interest at 2.250% maturing August 2019.

5. Commitments

As at April 30, 2018, the Organization was committed to an operating lease on certain equipment that provides for minimum lease payments in the following amount:

2019	5,436
2020	5,436
2021	906
	<hr/>
	11,778

6. Budget

The budget amounts presented in these financial statements are unaudited and are not considered necessary for a fair presentation of the financial position or the results of operations of the Organization. They are provided solely for information purposes.

7. Financial instruments

The Organization, as part of its operations, carries a number of financial instruments. It is management's opinion that the Organization is not exposed to significant interest, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed.

Liquidity risk

The Organization's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at April 30, 2018, the Organization had a cash balance of \$173,500 (2017 - \$288,375) to settle accounts payable and accrued liabilities of \$38,166 (2017 - \$30,312). All of the Organization's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms.