

MOUNT SAINT VINCENT STUDENT UNION ASSOCIATION
Financial Statements
Year Ended April 30, 2022



MOUNT SAINT VINCENT STUDENT UNION ASSOCIATION

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Year Ended April 30, 2022

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INDEPENDENT AUDITOR'S REPORT

To the Members of Mount Saint Vincent Student Union Association

Qualified Opinion

We have audited the accompanying financial statements of Mount Saint Vincent Student Union Association (the "Association"), which comprise the statement of financial position as at April 30, 2022 and the statements of revenues and expenditures, changes in net assets and cash flow for the year then ended, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the basis for the qualified opinion paragraph, the financial statements present fairly, in all material respects, the financial position of the Association as at April 30, 2022 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.

Basis for Qualified Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Association in accordance with the ethical requirements that are relevant to our audit of the 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 qualified opinion.

The Association derives revenue from fundraising activities, as well as student store and food and beverage services, 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 Association and we were not able to determine whether any adjustments might be necessary to revenue, excess of revenues over expenses, and cash flows from operations for the year ended April 30, 2022; current assets as at April 30, 2022; and net assets at both the beginning and end of the year ended April 30, 2022.

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

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the Association'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 the Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association's financial reporting process.

(continues)

**Independent Auditor's Report to the Members of Mount Saint Vincent Student Union Association
(continued)**

Auditor's Responsibilities for the Audit of Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 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 the Association'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 the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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.

Strong & Associates

Bedford, Nova Scotia
February 20, 2025

Strong & Associates Chartered Professional Accountants Inc.

MOUNT SAINT VINCENT STUDENT UNION ASSOCIATION**Statement of Revenues and Expenditures****Year Ended April 30, 2022**

	2022	2021
REVENUE		
Student Union fees (<i>Schedule 1</i>)	\$ 551,681	\$ 516,382
Health and dental plan	468,902	434,461
Fundraising and grants (<i>Schedule 2</i>)	14,656	17,480
	1,035,239	968,323
EXPENSES		
Administrative expenditures (<i>Schedule 3</i>)	469,790	313,468
Health and dental plan	468,902	434,461
Society subsidies	3,182	510
	941,874	748,439
EXCESS OF REVENUE OVER EXPENSES FROM OPERATIONS	93,365	219,884
UNAUDITED SCHEDULE OF FOOD AND BEVERAGE SERVICES (<i>Schedule 4</i>)	(27,605)	(22,319)
EXCESS OF REVENUE OVER EXPENSES	\$ 65,760	\$ 197,565



MOUNT SAINT VINCENT STUDENT UNION ASSOCIATION**Statement of Changes in Net Assets****Year Ended April 30, 2022**

	Invested in Capital Assets	Restricted Fund	General Fund	2022	2021
NET ASSETS - BEGINNING OF YEAR	\$ 34,301	\$ 38,965	\$ 658,191	\$ 731,457	\$ 533,892
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	(9,725)	14	75,471	65,760	197,565
TRANSFERS	4,694	-	(4,694)	-	-
NET ASSETS - END OF YEAR	\$ 29,270	\$ 38,979	\$ 728,968	\$ 797,217	\$ 731,457



MOUNT SAINT VINCENT STUDENT UNION ASSOCIATION**Statement of Financial Position****April 30, 2022**

	2022	2021
ASSETS		
CURRENT		
Cash - unrestricted	\$ 48,002	\$ 49,695
Cash - restricted (Note 3)	38,979	38,965
Accounts receivable	69	-
Inventory	1,493	-
HST recoverable	15,301	4,944
Prepays and deposits	17,921	17,147
Funds in trust, Mount Saint Vincent University (Note 4)	842,822	775,977
	964,587	886,728
CAPITAL ASSETS (Note 5)	29,270	34,301
	\$ 993,857	\$ 921,029
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities	\$ 196,640	\$ 189,572
NET ASSETS		
General fund	728,968	658,191
Restricted fund (Note 3)	38,979	38,965
Invested in capital assets	29,270	34,301
	797,217	731,457
	\$ 993,857	\$ 921,029

ON BEHALF OF THE ASSOCIATION

Carson Cameron Executive Member

Executive Member



MOUNT SAINT VINCENT STUDENT UNION ASSOCIATION**Statement of Cash Flow****Year Ended April 30, 2022**

	2022	2021
OPERATING ACTIVITIES		
Excess of revenue over expenses	\$ 65,760	\$ 197,565
Item not affecting cash:		
Amortization of capital assets	9,726	12,718
	<u>75,486</u>	<u>210,283</u>
Changes in non-cash working capital:		
Accounts receivable	(69)	-
Inventory	(1,493)	-
HST recoverable	(10,357)	(1,483)
Prepays and deposits	(774)	(5,063)
Funds in trust, Mount Saint Vincent University	(66,845)	(396,192)
Accounts payable and accrued liabilities	7,068	129,238
	<u>(72,470)</u>	<u>(273,500)</u>
Cash flow from (used by) operating activities	<u>3,016</u>	<u>(63,217)</u>
INVESTING ACTIVITY		
Purchase of capital assets	<u>(4,694)</u>	<u>-</u>
DECREASE IN CASH FLOW	(1,678)	(63,217)
Cash - beginning of year	<u>88,659</u>	<u>151,876</u>
CASH - END OF YEAR (Note 3)	\$ 86,981	\$ 88,659



MOUNT SAINT VINCENT STUDENT UNION ASSOCIATION

Notes to Financial Statements

Year Ended April 30, 2022

1. NATURE OF OPERATIONS

Mount Saint Vincent Student Union Association (the "Association") is a Not-For-Profit organization working both for, and with, the students of Mount Saint Vincent University ("MSVU"). Elected members represent all students at the university, bringing forth concerns and issues affecting students on a daily basis. Employing upwards of 50 part-time workers, the association operates a numbers of student services including a corner store, pub, information desk, children's play centre, food bank, diversity centre, in addition to the health and dental plans. The Association also organizes and facilitates many events on campus including the annual Frosh Week activities. As a Not-For-Profit organization, the association is exempt from income tax.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO") and include the following significant accounting policies:

Revenue recognition

Contributions

Contributions are recognized using the deferral method. Externally restricted contributions relating to expenses of the current period are recognized as received. Externally restricted contributions for expenses relating to future periods are deferred and recognized in the same period as the expenses. Contributions for the purchase of capital assets are deferred and recognized on the same basis as the amortization expense of the asset over its useful life. Internally restricted contributions are recognized as received.

Student Union fee revenue

Student Union fee revenues are recognized as received from MSVU, in accordance with the CPA Canada Handbook, Section 3400- Revenue. Student fee revenue is allocated to specific programs of the Student Union Association based on full-time and part-time staff working in each department. Revenues allocated to the Student Union Association have been recorded on a net basis as the Student Union Association acts as an agent in the transaction on behalf of MSVU. Gross revenues as a result of these transactions have been disclosed in schedule 1 to the financial statements.

Health and Dental Plan

Fees received from MSVU for insurance premiums are shown gross of the related insurance premium expense.

Measurement uncertainty

The preparation of the financial statements in conformity with ASNPO requires the Association's management to make estimates, assumptions and allocations that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Significant estimates include determining the useful lives of capital assets for amortization purposes and accrued liabilities. Actual results could differ from those reported.

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MOUNT SAINT VINCENT STUDENT UNION ASSOCIATION

Notes to Financial Statements

Year Ended April 30, 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Inventory

Inventory representing food and beverages of the campus pub, is valued at the lower of cost and net realizable value with the cost being determined on a first-in, first-out basis.

The cost of inventories recognized as an expense during the year was \$2,804 (2021 - \$nil).

Capital assets

Capital assets are stated at cost less accumulated amortization. Capital assets are amortized over their estimated useful lives on a declining balance basis at the following rates:

Computer equipment	55%
Furniture and fixtures	20%

Leasehold improvements are amortized on a straight line basis over the term of the lease.

The Association regularly reviews its capital assets whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable. Management did not note any indicators of impairment for the year ended, April 30, 2022.

Financial instruments

Initial measurement

Financial instruments are measured at fair value when issued or acquired. For financial instruments subsequently measured at cost or amortized cost, fair value is adjusted by the amount of the related financing fees and transactions costs.

Subsequent measurement

At each reporting date, the Student Union Association measures its financial assets and liabilities at cost or amortized cost (less impairment in the case of financial assets), except for investments, which must be measured at fair value. The financial instruments measured at amortized cost are accounts receivable, and accounts payable and accrued liabilities.

For financial assets measured at cost or amortized cost, the Student Union regularly assesses whether there are any indications of impairment. If there is an indication of impairment and the Student Union determines that there is a significant adverse change in the expected timing or amount of future cash flows from the financial asset, it recognizes an impairment loss in the statement of revenues and expenses. Any reversals of previously recognized impairment losses are recognized in the statement of revenue and expenses in the year the reversal occurs.

Unless otherwise noted, it is management's opinion that the Student Union is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying value, unless otherwise noted.

3. RESTRICTED CASH BALANCE

The Association has a restricted bank balance of \$38,979 (2021 - \$38,965) related to funding received for the preparation of yearbooks.

MOUNT SAINT VINCENT STUDENT UNION ASSOCIATION**Notes to Financial Statements****Year Ended April 30, 2022****4. FUNDS HELD IN TRUST**

Student fees received by the Association are dependent on the enrolment levels at MSVU. Student Union Association fees, Health and Dental plan premiums, as well as Orientation fees are collected by MSVU and provided to the Association. These funds are held in Trust by MSVU and are dispersed periodically throughout the year. The balance of funds held in trust represent funds collected and not yet dispersed by MSVU, net of associated expenses, are as follows:

	2022	2021
Student Union Association fees	\$ 469,025	\$ 462,045
Health and dental plan fees	270,560	211,412
Canada Federation of Student and Campaign fees	103,237	102,520
	\$ 842,822	\$ 775,977

5. CAPITAL ASSETS

	Cost	Accumulated amortization	2022 Net book value	2021 Net book value
Computer equipment	\$ 15,222	\$ 12,988	\$ 2,234	\$ 4,966
Furniture and fixtures - Student Union	147,838	143,966	3,872	4,213
Furniture and fixtures - Corner store	12,617	12,617	-	137
Leasehold improvements - Student Union	119,158	99,942	19,216	24,706
Furniture and fixtures - Pub	5,378	1,430	3,948	279
	\$ 300,213	\$ 257,955	\$ 29,270	\$ 34,301

6. HEALTH AND DENTAL PLAN

In September 1999, students voted to implement a health and dental plan. The premium was approved by a student referendum in conjunction with the student elections. The referendum permits increases in premiums to cover future increases in the inflation rate or claims experience. Students may increase coverage to include their families by paying an additional premium.

MOUNT SAINT VINCENT STUDENT UNION ASSOCIATION**Unaudited Schedule of Student Union Fees Income and Expenses****(Schedule 1)****Year Ended April 30, 2022**

	2022	2021
Income		
Fees collected	\$ 570,336	\$ 531,355
Canadian Federation of Students fees held in trust	50,412	48,514
Student Union campaign fees held	-	1,207
	620,748	581,076
EXPENSES		
Canadian Federation of Students and Campaign fees	54,067	49,694
Rent	15,000	15,000
	69,067	64,694
INCOME FROM OPERATIONS	\$ 551,681	\$ 516,382



MOUNT SAINT VINCENT STUDENT UNION ASSOCIATION**Unaudited Schedule of Fundraising and Grant Revenue****(Schedule 2)****Year Ended April 30, 2022**

	2022	2021
Fundraising, net of donations made	\$ 10,706	\$ 8,355
Advertising	2,365	-
Fountain Play Centre, net of expenses	591	3,297
Information service	515	-
Other	479	5,828
	\$ 14,656	\$ 17,480

MOUNT SAINT VINCENT STUDENT UNION ASSOCIATION**Unaudited Schedule of Administrative Expenditures****(Schedule 3)****Year Ended April 30, 2022**

	2022	2021
Salaries and wages	\$ 296,675	\$ 224,946
Office	82,719	40,658
Student services	49,834	14,073
Professional fees	30,373	19,713
Amortization	9,200	12,648
Interest and bank charges	989	1,430
	\$ 469,790	\$ 313,468

MOUNT SAINT VINCENT STUDENT UNION ASSOCIATION**Unaudited Schedule of Food and Beverage Services****(Schedule 4)****Year Ended April 30, 2022**

	2022	2021
REVENUE	\$ 4,232	\$ -
COST OF SALES	2,804	-
GROSS PROFIT (34%; 2021 - %)	1,428	-
EXPENSES		
Supplies and miscellaneous	14,956	754
Salaries and training	11,734	17,771
Events and entertainment	1,148	-
Interest and bank charges	670	3,724
Amortization	525	70
	29,033	22,319
	-	
LOSS FROM OPERATIONS	\$ (27,605)	\$ (22,319)