

**UNIVERSITY
OF THE FRASER VALLEY
STUDENT UNION SOCIETY
FINANCIAL STATEMENTS
MARCH 31, 2012**

Independent Auditor's Report
Statement of Financial Position
Statement of Changes in Net Assets
Statement of Operations
Statement of Cash Flows
Notes to Financial Statements
Campus Restaurant - Schedule

INDEPENDENT AUDITOR'S REPORT

To the members,
University of the Fraser Valley Student Union Society,
Abbotsford, BC

I have audited the accompanying financial statements of the University of the Fraser Valley Student Union Society, which comprise the statement of financial position as at March 31, 2012 and the statements of changes in net assets, operations 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 generally accepted accounting principles, 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

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, these financial statements present fairly, in all material respects, the financial position of the society as at March 31, 2012 and its financial performance, its changes in net assets and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Other Matter

As required by the Society Act of British Columbia, I report that, in my opinion, these principles have been applied on a basis consistent with that of the preceding year.

Burnaby, BC
August 31, 2012

David Curll Inc.
Chartered Accountant

**UNIVERSITY OF THE FRASER VALLEY
STUDENT UNION SOCIETY
STATEMENT OF FINANCIAL POSITION
MARCH 31, 2012**

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ASSETS

	<u>OPERATING FUND</u>	<u>BUILDING FUND</u>	<u>CAPITAL FUND</u>	<u>HEALTH AND DENTAL PLAN FUND</u>	<u>2012</u>	<u>2011</u>
CURRENT ASSETS						
Monies held by the University of the Fraser Valley	83,112	2,932,306	49,558	(320)	3,064,656	2,378,105
EQUIPMENT AND LEASEHOLDS (Note 2)	13,717	-	-	-	13,717	24,185
WEBSITE (Note 3)	-	-	-	-	-	2,190
	<u>96,829</u>	<u>2,932,306</u>	<u>49,558</u>	<u>(320)</u>	<u>3,078,373</u>	<u>2,404,480</u>
NET ASSETS						
UNRESTRICTED NET ASSETS	96,829	-	-	-	96,829	194,810
RESTRICTED – BUILDING FUND	-	2,932,306	-	-	2,932,306	2,115,111
RESTRICTED – CAPITAL FUND	-	-	49,558	-	49,558	95,359
RESTRICTED – HEALTH AND DENTAL PLAN FUND	-	-	-	(320)	(320)	(800)
	<u>96,829</u>	<u>2,932,306</u>	<u>49,558</u>	<u>(320)</u>	<u>3,078,373</u>	<u>2,404,480</u>

APPROVED BY THE EXECUTIVE COMMITTEE

President

Director of Finance

**UNIVERSITY OF THE FRASER VALLEY
STUDENT UNION SOCIETY
STATEMENT OF CHANGES IN NET ASSETS
YEAR ENDED MARCH 31, 2012**

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	OPERATING FUND	BUILDING FUND	CAPITAL FUND	HEALTH AND DENTAL PLAN FUND	2012	2011
BALANCE, BEGINNING	194,810	2,115,111	95,359	(800)	2,404,480	1,682,450
Excess (deficiency) of revenue over expenditures	(115,558)	817,195	-	(27,744)	673,893	722,030
Capital fund transfer	45,801	-	(45,801)	-	-	-
Health and dental plan fund transfer	(28,224)	-	-	28,224	-	-
BALANCE, ENDING	<u>96,829</u>	<u>2,932,306</u>	<u>49,558</u>	<u>(320)</u>	<u>3,078,373</u>	<u>2,404,480</u>

**UNIVERSITY OF THE FRASER VALLEY
STUDENT UNION SOCIETY
STATEMENT OF OPERATIONS
YEAR ENDED MARCH 31, 2012**

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	OPERATING FUND	BUILDING FUND	CAPITAL FUND	HEALTH AND DENTAL PLAN FUND	2012	2011
REVENUE						
ATM Commission	4,208	-	-	-	4,208	3,984
Building fees	-	783,090	-	-	783,090	772,953
Health and dental plan	-	-	-	704,128	704,128	718,284
Interest	8,165	34,105	-	-	42,270	29,092
Other	5,074	-	-	-	5,074	1,243
Soft drink contract	14,762	-	-	-	14,762	-
Student fees	588,130	-	-	-	588,130	690,065
U-Pass fees	897,185	-	-	-	897,185	940,130
	<u>1,517,524</u>	<u>817,195</u>	<u>-</u>	<u>704,128</u>	<u>3,038,847</u>	<u>3,155,751</u>
EXPENDITURES						
Advertising and promotion	22,022	-	-	-	22,022	21,251
Amortization	14,394	-	-	-	14,394	14,291
Awards, bursaries and scholarships	4,300	-	-	-	4,300	1,711
Campus Restaurant – Schedule	140,263	-	-	-	140,263	160,944
Catalogue	16,088	-	-	-	16,088	18,482
Club and association funding	51,622	-	-	-	51,622	53,216
Events	84,813	-	-	-	84,813	110,657
Health and dental plan	-	-	-	731,872	731,872	719,645
Insurance	3,192	-	-	-	3,192	1,263
Legal and accounting	25,148	-	-	-	25,148	17,003
Office	43,435	-	-	-	43,435	44,721
Professional development	17,058	-	-	-	17,058	32,413
Repairs and maintenance	14,752	-	-	-	14,752	28,904
Subcontracts	118,405	-	-	-	118,405	75,028
Telephone	2,728	-	-	-	2,728	3,002
Travel	3,733	-	-	-	3,733	3,956
Wages and benefits	150,358	-	-	-	150,358	152,767
U-Pass expenses	920,771	-	-	-	920,771	974,467
	<u>1,633,082</u>	<u>-</u>	<u>-</u>	<u>731,872</u>	<u>2,364,954</u>	<u>2,433,721</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	<u>(115,558)</u>	<u>817,195</u>	<u>-</u>	<u>(27,744)</u>	<u>673,893</u>	<u>722,030</u>

**UNIVERSITY OF THE FRASER VALLEY
STUDENT UNION SOCIETY
STATEMENT OF CASH FLOWS
YEAR ENDED MARCH 31, 2012**

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	<u>2012</u>	<u>2011</u>
OPERATING ACTIVITIES		
Excess of revenue over expenditures	673,893	722,030
Add item not affecting cash		
Amortization	<u>14,394</u>	<u>14,291</u>
Cash provided by operating activities	<u>688,287</u>	<u>736,321</u>
INVESTING ACTIVITIES		
(Purchase) of equipment and leaseholds	<u>(1,736)</u>	<u>(10,725)</u>
Cash (used for) investing activities	<u>(1,736)</u>	<u>(10,725)</u>
INCREASE IN CASH		
Monies held by the University of the Fraser Valley, beginning	<u>2,378,105</u>	<u>1,652,509</u>
MONIES HELD BY THE UNIVERSITY OF THE FRASER VALLEY, ENDING	<u><u>3,064,656</u></u>	<u><u>2,378,105</u></u>

**UNIVERSITY OF THE FRASER VALLEY
STUDENT UNION SOCIETY
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2012**

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DESCRIPTION OF ORGANIZATION

The University of the Fraser Valley Student Union Society is a non-profit organization incorporated under the Society Act of British Columbia effective October 5, 1995.

The mission of the University of the Fraser Valley Student Union Society is to create a strong, unified student voice and to provide innovative and valuable services to its members by advocating on behalf of and collaborating with the Student Body, University of the Fraser Valley and the community.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles.

i. Equipment and leaseholds

Equipment and leaseholds are recorded at cost and are amortized over their estimated useful life using the straight-line method at the following rates:

Office equipment	- 20%
Leaseholds	- 20%

ii. Website and amortization

Website is recorded at cost and is amortized over its estimated useful life using the straight-line method at a rate of 20% per annum.

iii. Revenue recognition

The Society follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenditures are incurred. Unrestricted contributions are recognized as revenue when received. All fees are recognized as revenue when received.

iv. Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

**UNIVERSITY OF THE FRASER VALLEY
STUDENT UNION SOCIETY
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2012**

\$

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

v. Financial Instruments

The fair value of all items that meet the definition of a financial instrument approximate their carrying values. These items include monies held by the University of the Fraser Valley. Unless otherwise stated, it is management's opinion that the organization is not exposed to significant credit, currency or interest rate risk arising from these financial statements.

vi. Financial statement presentation

In order to more clearly reflect the various divisions of the society's activities, the society has adopted a fund accounting basis of presentation as follows:

- The operating fund, which reflects assets, liabilities, revenues and expenditures relating to the general operations of the society;
- The building fund, which reflects amounts set aside for the creation of a student union building.
- The capital fund, which reflects amounts set aside for future, major capital expenditures of the society.
- The health and dental plan fund, which reflects amounts reserved to improve the health and dental plan for the student's benefits.

2. EQUIPMENT AND LEASEHOLDS

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	
			<u>2012</u>	<u>2011</u>
Equipment and leaseholds	<u>238,693</u>	<u>224,976</u>	<u>13,717</u>	<u>24,185</u>

Amortization in the amount of \$ 12,204 (2011 - \$ 12,101) has been recorded in the accounts for the year as described in Note 1.

3. WEBSITE

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	
			<u>2012</u>	<u>2011</u>
Website	<u>10,950</u>	<u>10,950</u>	<u>-</u>	<u>2,190</u>

Amortization in the amount of \$ 2,190 (2011 - \$ 2,190) has been recorded in the accounts for the year as described in Note 1.

**UNIVERSITY OF THE FRASER VALLEY
STUDENT UNION SOCIETY
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2012**

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4. PURPOSE OF THE SOCIETY

The purposes of the University of the Fraser Valley Student Union Society (The Society) are as follows:

- (a) To organize students on a democratic basis for advancing students' interests, and advancing the interests of the student community;
- (b) To promote equality among all its members through the practice and promotion of non-discriminatory attitudes and events;
- (c) To provide an official and responsible student organization with the power to receive student complaints, investigate student problems, and participate in decisions affecting students;
- (d) To promote artistic, literary, educational, intellectual, social, and charitable activities for the benefit of its members and others, and not to own, operate, or manage a social club;
- (e) To acquire by gift, bequest, lease, exchange or purchase any lands, buildings or hereditament, whether freehold or leasehold for the use of The Society, and to erect on such lands and buildings or improvements necessary for proper use and occupation by The Society;
- (f) To facilitate the achievement of the goal of a system of post-secondary education which is accessible to all, of high quality, rationally planned, and which recognizes the legitimacy of student representation and the validity of students' rights, and whose role in The Society is clearly recognized and appreciated.

**UNIVERSITY OF THE FRASER VALLEY
STUDENT UNION SOCIETY
CAMPUS RESTAURANT - SCHEDULE
YEAR ENDED MARCH 31, 2012**

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	<u>2012</u>	<u>2011</u>
REVENUE		
Sales	<u>161,918</u>	<u>147,294</u>
EXPENDITURES		
Advertising	3,596	-
Insurance	4,260	3,632
Office and miscellaneous	11,591	8,852
Repairs and maintenance	12,114	9,076
Subcontracts	104,535	98,875
Supplies	118,912	140,973
Travel	174	63
Wages and benefits	<u>46,999</u>	<u>46,767</u>
	<u>302,181</u>	<u>308,238</u>
(DEFICIENCY) OF REVENUE OVER EXPENDITURES	<u>(140,263)</u>	<u>(160,944)</u>