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UFV Student Union Society
Financial Statements
March 31, 2018

Management's Responsibility

To the Members of UFV Student Union Society:

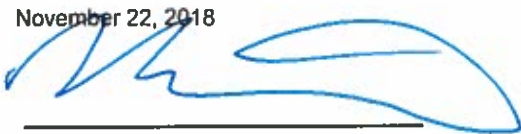
Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian accounting standards for not-for-profit organizations. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board of Directors is composed primarily of Directors who are neither management nor employees of the Society. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial information included in the annual report. The Board fulfills these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Board is also responsible for recommending the appointment of the Society's external auditors.

MNP LLP is appointed by the Members to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Board and management to discuss their audit findings.

November 22, 2018



Executive Director



Finance Manager



Independent Auditors' Report

To the Members of UFV Student Union Society:

Report on the Financial Statements

We have audited the accompanying financial statements of UFV Student Union Society, which comprise the statement of financial position as at March 31, 2018, and the statements of operations, 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 audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of UFV Student Union Society as at March 31, 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.

Report on Other Legal and Regulatory Requirements

As required by the Societies Act (British Columbia), we report that, in our opinion, the accounting principles in Canadian accounting standards for not-for-profit organizations have been applied on a basis consistent with that of the preceding year.

Chilliwack, British Columbia

November 22, 2018

MNP LLP

Chartered Professional Accountants

UFV Student Union Society
Statement of Financial Position
As at March 31, 2018

	<i>Operating Fund</i>	<i>Health and Dental Plan Fund</i>	<i>2018</i>	<i>2017</i>
Assets				
Current				
Cash	2,590,393	689,187	3,279,580	2,825,502
Accounts receivable	3,673	-	3,673	10,357
Marketable securities (Note 3)	2,121,276	-	2,121,276	2,090,927
Prepaid expenses and deposits	3,856	281,033	284,889	273,272
Inventory	23,414	-	23,414	28,694
	4,742,612	970,220	6,712,832	5,228,752
Capital assets (Note 4)	1,004,476	-	1,004,476	1,093,600
Prepaid lease (Note 5)	9,240,243	-	9,240,243	9,579,335
	14,987,331	970,220	15,957,551	15,901,687
Liabilities				
Current				
Accounts payable and accruals (Note 6)	201,430	-	201,430	149,199
Deferred revenue (Note 7)	4,190	366,825	371,015	346,112
Current portion of long-term debt (Note 8)	218,039	-	218,039	210,303
	423,659	366,825	790,484	705,614
Term loans subject to refinancing (Note 8)	1,873,600	-	1,873,600	1,928,418
	2,297,259	366,825	2,664,084	2,634,032
Long-term debt (Note 8)	7,295,756	-	7,295,756	7,513,744
	9,593,015	366,825	9,959,840	10,147,776
Commitments (Note 9)				
Net Assets (Note 10)	5,394,316	603,395	5,997,711	5,753,911
	14,987,331	970,220	15,957,551	15,901,687

Approved on behalf of the Board





The accompanying notes are an integral part of these financial statements

UFV Student Union Society
Statement of Operations
For the year ended March 31, 2018

	<i>Operating Fund</i>	<i>Health and Dental Plan Fund</i>	<i>2018</i>	<i>2017</i>
Revenue				
Health and dental plan	-	989,736	989,736	879,972
U-Pass fees (Note 12)	984,686	-	984,686	912,320
Building fees	796,055	-	796,055	748,356
Rental income	32,443	-	32,443	-
Shuttle bus (Note 12)	714,217	-	714,217	681,775
Student fees	682,282	-	682,282	641,367
Food Services (Note 13)	352,365	-	352,365	310,789
FixIT fees (Note 12)	116,258	-	116,258	114,829
Other revenue	35,064	-	35,064	47,648
Interest	43,738	-	43,738	27,538
Vending contract	2,803	-	2,803	7,395
Donations	-	-	-	2,316
Marketing & sponsorship	5,898	-	5,898	-
	3,765,809	989,736	4,755,545	4,374,305

Continued on next page

The accompanying notes are an integral part of these financial statements

UFV Student Union Society
Statement of Operations
For the year ended March 31, 2018

	Operating Fund	Health and Dental Plan Fund	2018	2017
Total revenue (Continued from previous page)	3,765,809	989,736	4,755,545	4,374,305
Expenses				
Advertising and promotion	5,126	-	5,126	7,763
Amortization	124,789	-	124,789	168,510
Business fees, dues and licences	2,389	-	2,389	1,250
Catering	-	-	-	2,838
Conferences and travel	25,431	-	25,431	12,223
Credit card and bank charges	9,744	-	9,744	6,664
Events	64,712	-	64,712	59,603
Health and dental premiums	-	853,960	853,960	777,979
Insurance	25,347	-	25,347	17,530
Interest on long-term debt	338,557	-	338,557	334,014
Lease payments expense (Note 5)	339,092	-	339,092	339,092
Miscellaneous	40	-	40	1,778
Office equipment lease	5,300	-	5,300	2,428
Office supplies and expenses	15,798	-	15,798	33,933
Professional development	3,315	-	3,315	1,622
Professional fees	31,410	-	31,410	43,012
Repairs and maintenance	124,455	-	124,455	133,150
Salaries and benefits	629,529	-	629,529	586,126
Shuttle bus (Note 12)	702,688	-	702,688	644,025
Sponsorship and C&A Funding	27,519	-	27,519	68,661
Student advocacy fees	28,888	-	28,888	51,012
Subcontractors	118,074	-	118,074	102,209
Supplies	192,565	-	192,565	168,969
Telephone	3,800	-	3,800	3,064
Training and education	2,101	-	2,101	4,548
U-Pass expenses (Note 12)	858,023	-	858,023	852,380
Utilities	9,442	-	9,442	6,885
	3,688,134	853,960	4,542,094	4,431,268
Excess (deficiency) of revenue over expenses before other items	77,675	135,776	213,451	(56,963)
Other items				
Unrealized gain arising from increase in fair value of marketable securities	30,349	-	30,349	79,986
Gain on disposal of capital assets	-	-	-	1,178
	30,349	-	30,349	81,164
Excess of revenue over expenses	108,024	135,776	243,800	24,201

The accompanying notes are an integral part of these financial statements

UFV Student Union Society
Statement of Changes in Net Assets
For the year ended March 31, 2018

	<i>Operating Fund</i>	<i>Health and Dental Plan Fund</i>	2018	2017
Net assets beginning of year	5,286,292	467,619	5,753,911	5,729,710
Excess of revenue over expenses	108,024	135,776	243,800	24,201
Net assets, end of year	5,394,316	603,395	5,997,711	5,753,911

The accompanying notes are an integral part of these financial statements

UFV Student Union Society
Statement of Cash Flows
For the year ended March 31, 2018

	<i>2018</i>	<i>2017</i>
Cash provided by (used for) the following activities		
Operating		
Excess of revenue over expenses	243,800	24,201
Amortization	124,789	168,510
Gain arising from increase in fair value of marketable securities	(30,349)	(79,986)
Gain on disposal of capital assets	-	(1,178)
Prepaid lease expense	339,092	339,092
	677,332	450,639
Changes in working capital accounts		
Accounts receivable	6,684	(198)
Inventory	5,280	15,050
Prepaid expenses and deposits	(11,616)	(33,706)
Accounts payable and accruals	52,229	93,100
Deferred revenue	24,904	45,677
	754,813	570,562
Financing		
Repayment of long-term debt	(265,070)	(261,122)
Investing		
Purchase of capital assets	(35,665)	-
Proceeds on disposal of capital assets	-	15,234
	454,078	324,674
Increase in cash resources	454,078	324,674
Cash resources, beginning of year	2,825,502	2,500,828
Cash resources, end of year	3,279,580	2,825,502
Supplementary cash flow information		
Cash paid for interest	339,693	334,014
Interest earned	43,738	27,538

The accompanying notes are an integral part of these financial statements

1. Incorporation and nature of the Society

UFV Student Union Society (the "Society") is incorporated under the authority of the Societies Act of British Columbia and is registered as a not-for-profit organization and thus is exempt from income taxes under the Income Tax Act (the "Act"). In order to maintain its status as a registered not-for-profit organization under the Act, the Society must meet certain requirements within the Act. In the opinion of management these requirements have been met.

The Society's purpose 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, the University of the Fraser Valley, and the community.

2. Significant accounting policies

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations as issued by the Accounting Standards Board in Canada using the following significant accounting policies:

Fund accounting

The Society follows the restricted fund method of accounting for contributions, and maintains two funds: Operating Fund and Health and Dental Plan Fund.

The Operating Fund reports the Society's revenue and expenses related to program delivery and administrative activities.

The Health and Dental Plan Fund reports the Society's assets, liabilities, revenue and expenses related to the management and delivery of health and dental benefits to eligible students.

Revenue recognition

The Society uses the restricted fund method of accounting for contributions. Restricted contributions related to Health and Dental Plan are recognized as revenue of the Health and Dental Plan Fund in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the Operating Fund.

Unrestricted contributions, including student fees not collected for the Health and Dental Plan, are recognized as revenue of the Operating Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Unrestricted investment income is recognized as revenue in the Operating Fund when earned.

Revenues for food and beverage sales are recognized in the Operating Fund when services are provided and payment is collected.

Capital assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution if fair value can be reasonably determined.

Amortization is provided using the following methods, at rates intended to amortize the cost of assets over their estimated useful lives. Assets not in use, or under construction, are not amortized.

	Method	Rate
Computer equipment	declining balance	55 %
Computer software	declining balance	55 %
Equipment	declining balance	20 %
Furniture and fixtures	declining balance	20 %
Leasehold improvements	straight-line	40 years
Paved surfaces	declining balance	8 %

2. **Significant accounting policies** *(Continued from previous page)*

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 expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectibility and an appropriate allowance for doubtful accounts is provided where considered necessary. Provisions are made for slow moving and obsolete inventory. Amortization is based on the estimated useful lives of capital assets.

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

Inventory

Inventory is valued at the lower of cost and net realizable value. Cost is determined by the first in, first out method. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling costs.

Long-lived assets and discontinued operations

Long-lived assets consist of capital assets. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

When the Society determines that a long-lived asset no longer has any long-term service potential to the Society, the excess of its net carrying amount over any residual value is recognized as an expense in the statement of operations. Write-downs are not reversed.

Financial Instruments

The Society recognizes its financial instruments when the Society 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 Society may irrevocably elect to subsequently measure any financial instrument at fair value.

The Society subsequently measures investments in equity instruments quoted in an active market and all derivative instruments, except those designated in a qualifying hedging relationship or that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, at fair value. Investments in equity instruments not quoted in an active market and derivatives that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, are subsequently measured at cost less impairment. With the exception of financial liabilities indexed to a measure of the Society'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.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in the excess of revenues over expenses for the current period. Conversely, transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

2. Significant accounting policies *(Continued from previous page)*

Financial asset impairment

The Society assesses impairment of all of its financial assets measured at cost or amortized cost. The Society groups assets for impairment testing when available information is not sufficient to permit identification of each individually impaired financial asset in the group and when no asset is individually significant. Management considers whether the issuer is having significant financial difficulty, and whether there has been a breach in contract, such as a default or delinquency in interest or principal payments in determining whether objective evidence of impairment exists. When there is an indication of impairment, the Society determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year. If so, the Society reduces the carrying amount of any impaired financial assets to the highest of: the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets; and the amount expected to be realized by exercising any rights to collateral held against those assets. Any impairment, which is not considered temporary, is included in current year excess of revenues over expenses.

The Society reverses impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment loss was recognized. The amount of the reversal is recognized in the excess of revenues over expenses in the year the reversal occurs.

3. Marketable securities

Marketable securities are held with BMO Financial Group and carried at fair market value.

4. Capital assets

	<i>2018</i>		<i>2017</i>	
	<i>Cost</i>	<i>Accumulated amortization</i>	<i>Net book value</i>	<i>Net book value</i>
Computer equipment	37,922	34,054	3,868	8,595
Computer software	138,360	125,473	12,887	28,638
Equipment	144,521	59,937	84,584	98,193
Furniture and fixtures	733,372	457,400	275,972	328,395
Leasehold improvements	659,426	41,022	618,404	629,779
Paved surfaces	9,126	365	8,761	-
	1,722,727	718,251	1,004,476	1,093,600

5. Prepaid lease

The prepaid lease dated July 1, 2015 is between the Society and the University of the Fraser Valley for the use of the Student Union Building. The term of the lease is 30 years. During the year, \$339,092 (2017 - \$339,092) was recognized as a lease expense.

6. Accounts payable and accruals

Included in accounts payable is \$5,963 (2017 - \$4,348) of government remittances payable.

UFV Student Union Society
Notes to the Financial Statements
For the year ended March 31, 2018

7. Deferred revenue

Deferred revenue includes Health and Dental Plan fees received by March 31, 2018, which relate to the 2019 fiscal year.

8. Long-term debt

	<i>2018</i>	<i>2017</i>
Envision Financial commercial loan, bearing interest at 3.65% payable in blended monthly instalments of \$25,361, maturing November 2020.	4,700,207	4,831,647
Envision Financial commercial loan, bearing interest at 3.55% payable in blended monthly instalments of \$10,013, maturing November 2018.	1,873,600	1,928,418
Envision Financial commercial loan, bearing interest at 3.64% payable in blended monthly instalments of \$15,169, maturing November 2021.	2,813,588	2,892,400
	9,387,395	9,652,465
Less: Current portion	218,039	210,303
Less: Term loans subject to refinancing	1,873,600	1,928,418
	7,295,756	7,513,744

The commercial loans are secured by the prepaid building lease.

Principal repayments on long-term debt in each of the next five years, assuming long-term debt subject to refinancing is renewed, are estimated as follows:

	<i>Principal</i>
2018	218,039
2019	226,062
2020	234,380
2021	243,003
2022	251,945
	1,173,429

9. Commitments

The Society is committed to paying student advocacy fees to the Canadian Alliance of Student Associations (CASA) on an annual basis. In 2018, CASA fees paid totaled \$25,606 (2017 - \$26,923).

UFV Student Union Society
Notes to the Financial Statements
For the year ended March 31, 2018

10. Net Assets - Operating Fund

	2018	2017
Unrestricted		
Opening	(32,067)	59,990
Excess (deficiency) of revenue over expenses	41,453	(92,057)
	9,386	(32,067)
Restricted - Building Fund		
Opening	4,224,759	4,027,927
Excess of revenue over expenses	191,358	182,775
Transfer to invested in capital assets	(35,662)	14,057
	4,380,455	4,224,759
Invested in capital assets		
Opening	1,093,600	1,276,167
Additions	35,664	-
Disposals	-	(14,057)
Amortization	(124,789)	(168,510)
	1,004,475	1,093,600
	5,394,316	5,286,292

11. Financial Instruments

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

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the Society manages exposure through its normal operating and financing activities. The Society is exposed to interest rate price risk on its long-term debt with fixed interest rates between 3.55% and 3.65%.

Liquidity risk

Liquidity risk is the risk that the Society will encounter difficulty in meeting obligations associated with financial liabilities. The Society's exposure to liquidity risk is mainly dependent on the collection of student fees to meet commitments and sustain operations. The Society has entered into transactions to borrow funds from financial institutions for which repayment is required at various maturity dates.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Society is exposed to market risk on its marketable securities which are comprised of fixed income and equity investments.

UFV Student Union Society
Notes to the Financial Statements
For the year ended March 31, 2018

12. Specified Student Fees

	2018	2017
U-Pass fees		
Revenue	984,686	912,320
Expenses	(858,023)	(852,380)
	126,663	59,940
Shuttle Bus fees		
Revenue	614,217	581,775
UFV Subsidy	100,000	100,000
Expenses	(702,688)	(644,025)
	11,529	37,750
FixIT fees		
Revenue	116,258	114,829
Expenses	(84,503)	(66,662)
	31,755	48,167

13. Comparative figures

Certain comparative figures have been reclassified to conform with current year presentation. In the year ended March 31, 2018, the sales figures for the Canoe and the Fair Grounds operations were recorded together by UFV Student Union Society, whereas in the year ended March 31, 2017, they were recorded separately. The prior year's sales figures for the Canoe and the Fair Grounds were combined into one line item named "Food Services" for comparative purposes in the current year.

UFV Student Union Society
S1109 - 33844 King Road
Abbotsford, BC V2S 7M8

November 22, 2018

MNP LLP
1 - 45780 Yale Road
Chilliwack, British Columbia V2P 2N4

To Whom It May Concern:

In connection with your audit of the financial statements of UFV Student Union Society ("the Society") as at March 31, 2018 and for the year then ended, we hereby confirm to the best of our knowledge and belief, the following representations made to you during the course of your audit.

We understand that your audit was made in accordance with Canadian generally accepted auditing standards. Accordingly, the audit included an examination of the accounting system, controls and related data, and tests of the accounting records and such other auditing procedures as you considered necessary in the circumstances, for the purpose of expressing an opinion on the financial statements. We also understand that such an audit is not designed to identify, nor can it necessarily be expected to disclose, misstatements, non-compliance with laws and regulations, fraud or other irregularities, should there be any.

Certain representations in this letter are described as being limited to matters that are material. An item is considered material, regardless of its monetary value, if it is probable that its omission from or misstatement in the financial statements would influence the decision of a reasonable person relying on the financial statements.

Financial Statements

We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated June 11, 2018, for the preparation and fair presentation of the Society's financial statements in accordance with Canadian accounting standards for not-for-profit organizations. We believe these financial statements are complete and present fairly, in all material respects, the financial position of the Society as at March 31, 2018, and the results of its operations and its cash flows, in accordance with Canadian accounting standards for not-for-profit organizations.

1. All transactions have been recorded in the accounting records and are reflected in the financial statements, and are reported in the appropriate period.
2. We acknowledge that we are responsible for the accounting policies followed in the preparation of the Society's financial statements. Significant accounting policies, and any related changes to significant accounting policies, are disclosed in the financial statements. The selection of accounting policies is appropriate in accordance with the requirements of Canadian accounting standards for not-for-profit organizations, and are applied consistently throughout the financial statements.
3. We have disclosed to you all significant assumptions used in making accounting estimates and judgments, and believe they are reasonable.
4. We are aware of and concur with the contents and results of the attached journal entries prepared by you, and accept responsibility for the financial statement effects of the entries.
5. We believe the effects of those uncorrected financial statement differences aggregated by you during the audit are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. A summary of these differences has been attached to this written representation.

6. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of Canadian accounting standards for not-for-profit organizations.
7. All events or transactions that have occurred subsequent to the balance sheet and for which Canadian accounting standards for not-for-profit organizations require adjustment or disclosure have been adjusted or disclosed appropriately in the financial statements.
8. All plans or intentions that may affect the carrying value or classification of assets and liabilities are appropriately reflected in the financial statements in accordance with Canadian accounting standards for not-for-profit organizations.
9. All liabilities, both known and contingent, requiring recognition or disclosure in the financial statements in accordance with the requirements of Canadian accounting standards for not-for-profit organizations have been adjusted or disclosed as appropriate.
10. All outstanding and possible claims, whether or not they have been discussed with legal counsel, have been disclosed to you and are appropriately reflected in the financial statements.
11. All assets, wherever located, to which the Society had satisfactory title at the year-end, have been fairly stated and recorded in the financial statements. The assets are free from hypothecation, liens and encumbrances, except as noted in the financial statements. We have disclosed the nature and carrying amounts of any assets pledged as collateral.
12. All aspects of laws, regulations or contractual agreements, including non-compliance, are appropriately reflected in the financial statements.
13. All restricted cash has been appropriately designated and separated from operating funds.
14. Investments in marketable securities are appropriately recorded in the financial statements in accordance with the requirements of Canadian accounting standards for not-for-profit organizations. All events or circumstances giving rise to impairments are reflected in the financial statements.
15. Accounts receivable are correctly described in the records and represent valid claims as at March 31, 2018. An appropriate allowance has been made for losses from uncollectible accounts and for costs or expenses that may be incurred with respect to sales made or services rendered.
16. Inventory is correctly recorded in the financial statements in accordance with the requirements of Canadian accounting standards for not-for-profit organizations. All required provisions for slow-moving, obsolete, and unsaleable stock have been recorded. Inventory does not include any goods on consignment to others or goods invoiced to customers.
17. All charges to capital assets represent capital expenditures. No expenditures of a capital nature were charged to operations of the Society. Depreciation of property, plant and equipment has been recorded according to our best estimates of their useful lives. All events or circumstances giving rise to impairments are appropriately reflected in the financial statements.
18. All long-term debt has been appropriately recorded in the financial statements. All payments and accrued interest has been accounted for. The current portion of long-term debt is appropriately classified.
19. Revenue has been recognized only where sales have been made and items delivered, or services rendered, and the amounts have been collected or are collectible. Revenues do not include any amounts arising from consignment sales or from any other transaction from which the Society is not entitled to the proceeds.

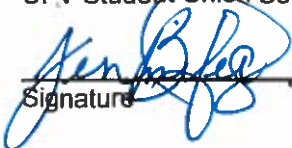
Information provided

1. We have responded fully to all inquiries made to us and have made available to you:
 - A complete record of all financial records that are relevant to the preparation and presentation of the financial statements, and related data and minutes of the meetings of members and board of directors held throughout the year to the present date as well as summaries of recent meetings for which minutes have not yet been prepared;
 - Additional information that you have requested from us for the purpose of your audit;
 - Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
2. We acknowledge management's responsibility for the design, implementation and operation of controls that have been designed to prevent and detect fraud.
3. We have assessed the risk that the financial statements may be materially misstated as a result of fraud, and have determined such risk to be low.
4. Where the impact of any frauds or suspected frauds, and non-compliance or possible non-compliance with laws and regulations, has a material effect on the financial statements, we have disclosed to you all known significant facts relating thereto, including circumstances involving management, employees having significant roles over controls, and others. We have made known to you any allegations of fraud or suspected fraud communicated by employees, former employees, analysts, regulators and others. The effects of such events, if any, are properly presented in the financial statements.
5. We have disclosed to you all deficiencies in the design or operation of internal controls over financial reporting of which we are aware.
6. We have disclosed to you all aspects of laws, regulations or contractual agreements that may affect the financial statements, including non-compliance.
7. We have disclosed to you the identities of all related parties to the Society and all related party relationships and transactions of which we are aware.
8. We have no knowledge of side agreements (contractual or otherwise) with any parties that have not been disclosed to you.
9. The previous year's representation letter dated November 23, 2017 is still applicable to the prior year's financial statements, and no matters have arisen that require restatement of those financial statements.
10. There are no discussions with your firm's personnel regarding employment with the Society.

Professional Services

1. We acknowledge the engagement letter dated June 11, 2018, which states the terms of reference regarding your professional services.
2. We are not aware of any reason why MNP LLP would not be considered independent for purposes of the Society's audit.

Sincerely,
UFV Student Union Society



Signature



Title

