

**Students' Representative Council  
of Bishop's University  
Financial Statements  
April 30, 2021**

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Independent Practitioner's Review Engagement Report	2 - 3
Financial Statements	
Operations and Net Assets	4
Cash Flows	5
Financial Position	6
Notes to Financial Statements	7 - 9
Schedules	10 - 11

## Independent Practitioner's Review Engagement Report

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To the Directors of  
Students' Representative Council of Bishop's University

We have reviewed the accompanying financial statements of Students' Representative Council of Bishop's University, which comprise the statement of financial position as at April 30, 2021 and the statements of operations and net assets and of 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.

### **Practitioner's responsibility**

Our responsibility is to express a conclusion on these financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that these financial statements do not present fairly, in all material respects, the financial position of the Organization as at April 30, 2021 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.

*Raymond Chabot Grant Thornton LLP*<sup>1</sup>

Sherbrooke  
September 29, 2021

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<sup>1</sup> CPA auditor, CA public accountancy permit no. A124217

# Students' Representative Council of Bishop's University

## Operations and Net Assets

Year ended April 30, 2021

(Unaudited)

	<u>2021</u>	<u>2020</u>
	\$	\$
<b>Revenues</b>		
Student health insurance fees	466,012	395,640
Student fees	438,866	466,523
Other services	72,155	158,422
Gait sales	25,792	214,415
Doolittle's sales	17,993	127,742
	<u>1,020,818</u>	<u>1,362,742</u>
<b>Expenses</b>		
General expenses (Schedule A)	537,671	682,270
Student health insurance premiums	455,679	395,640
Gait expenses (Schedule B)	71,843	154,822
Doolittle's expenses (Schedule C)	11,062	123,592
	<u>1,076,255</u>	<u>1,356,324</u>
Excess (deficiency) of revenues over expenses before other income	(55,437)	6,418
Other income		
Government assistance	<u>202,621</u>	
<b>Excess of revenues over expenses</b>	<u>147,184</u>	6,418
Net assets, beginning of year	<u>249,449</u>	243,031
Net assets, end of year	<u>396,633</u>	<u>249,449</u>

The accompanying notes and schedules are an integral part of the financial statements.

# Students' Representative Council of Bishop's University

## Cash Flows

Year ended April 30, 2021

(Unaudited)

	<u>2021</u>	<u>2020</u>
	\$	\$
<b>OPERATING ACTIVITIES</b>		
Excess of revenues over expenses	147,184	6,418
Non-cash item		
Amortization of tangible capital assets	<u>7,581</u>	<u>9,733</u>
	<u>154,765</u>	<u>16,151</u>
Net change in working capital items		
Accounts receivable	(460,642)	(60,606)
Inventory	24,631	250
Prepaid expenses	(15,535)	124
Accounts payable and other operating liabilities	423,712	50,777
Deferred contributions related to expenses	<u>39,613</u>	<u>3,498</u>
	<u>11,779</u>	<u>(5,957)</u>
Cash flows from operating activities	166,544	10,194
<b>INVESTING ACTIVITIES</b>		
Tangible capital assets and cash flows from investing activities	<u>(700)</u>	<u>(13,161)</u>
<b>Net increase (decrease) in cash</b>	<b>165,844</b>	<b>(2,967)</b>
Cash, beginning of year	<u>262,562</u>	<u>265,529</u>
Cash, end of year	<u><u>428,406</u></u>	<u><u>262,562</u></u>

The accompanying notes and schedules are an integral part of the financial statements.

# Students' Representative Council of Bishop's University

## Financial Position

April 30, 2021  
(Unaudited)

	<u>2021</u>	<u>2020</u>
	\$	\$
<b>ASSETS</b>		
Current		
Cash	428,406	262,562
Accounts receivable	598,077	137,435
Inventory	12,885	37,516
Prepaid expenses	16,640	1,105
	<u>1,056,008</u>	438,618
Long-term		
Tangible capital assets (Note 3)	12,900	19,781
	<u>1,068,908</u>	<u>458,399</u>
<b>LIABILITIES</b>		
Current		
Accounts payable and other operating liabilities (Note 4)	591,317	167,605
Deferred contributions related to operations (Note 5)	80,958	41,345
	<u>672,275</u>	208,950
<b>NET ASSETS</b>	<u>396,633</u>	249,449
	<u>1,068,908</u>	<u>458,399</u>

The accompanying notes and schedules are an integral part of the financial statements.

On behalf of the Board,

\_\_\_\_\_  
Director

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Director

# Students' Representative Council of Bishop's University

## Notes to Financial Statements

April 30, 2021  
(Unaudited)

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### **1 - GOVERNING STATUTES, PURPOSE OF THE ORGANIZATION AND OPERATIONS CEASED**

The Organization was incorporated under Part III of the Companies Act (Quebec) for the purpose of representing the students of Bishop's University. It is a not-for-profit organization under the Income Tax Act. During the year, the Organization ceased operation of Doolittle's.

### **2 - SIGNIFICANT ACCOUNTING POLICIES**

#### **Basis of presentation**

The Organization's financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations.

#### **Accounting estimates**

The preparation of financial statements requires management to make estimates and assumptions that affect the amounts recorded in the financial statements, notes to financial statements and schedules. These estimates are based on management's knowledge of current events and actions that the Organization may undertake in the future. Actual results may differ from these estimates.

#### **Financial assets and liabilities**

##### *Initial measurement*

Upon initial measurement, the Organization's financial assets and liabilities are measured at fair value, which, in the case of financial assets or financial liabilities that will be measured subsequently at amortized cost, is increased or decreased by the amount of the transaction costs.

##### *Subsequent measurement*

At each reporting date, the Organization measures its financial assets and liabilities at amortized cost (including any impairment in the case of financial assets).

With respect to financial assets measured at amortized cost, the Organization assesses whether there are any indications of impairment. When there is an indication of impairment, and if the Organization determines that, during the year, there was a significant adverse change in the expected timing or amount of future cash flows from a financial asset, it will then recognize a reduction as an impairment loss in operations. The reversal of a previously recognized impairment loss on a financial asset measured at amortized cost is recognized in operations in the year the reversal occurs.

#### **Revenue recognition**

##### *Contributions*

The Organization follows the deferral method of accounting for contributions. Under this method, contributions restricted for future period expenses are deferred and 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.



# Students' Representative Council of Bishop's University

## Notes to Financial Statements

April 30, 2021  
(Unaudited)

### 2 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### *Contributions*

Moreover, the Organization recognizes contributed supplies and services when the fair value of these contributions can be reasonably estimated and if it would have had to otherwise acquire these supplies and services for its normal operations.

#### *Student health insurance fees and student fees*

Revenue is recognized when a contract specifying periods and fees is signed by Bishop's University, services have been rendered and collection is reasonably assured.

#### *Gait and Doolittle's sales and other services*

Revenue is recognized at the time of sale or at the time the service is rendered.

#### **Government assistance**

Government assistance related to current expenses is accounted for as other income. Government assistance is accrued in the year in which the current expenses are incurred, provided that the Organization is reasonably certain that it will be received. Since government assistance resulting from the Canada Emergency Wage Subsidy may be examined by the tax authorities, retroactive application clarifications were introduced after the programs were announced and some rules may be interpreted differently by the tax authorities, it is possible that the amounts granted will differ from the amounts recorded.

#### **Inventory valuation**

The inventory is valued at the lower of cost and net realizable value. Cost is determined by the average cost method.

#### **Tangible capital assets**

Tangible capital assets acquired are recorded at cost. When the Organization receives contributions of tangible capital assets, their cost is equal to their fair value at the contribution date plus all costs directly attributable to the acquisition of the tangible capital assets, or at a nominal value if fair value cannot be reasonably determined.

#### *Amortization*

Tangible capital assets are amortized over their estimated useful lives according to the straight-line method at the following annual rates:

	<u>Rates</u>
Furniture and equipment	3 to 5 years

#### *Write-down*

When conditions indicate that a tangible capital asset is impaired, the net carrying amount of the tangible capital asset is written down to the tangible capital asset's fair value or replacement cost. The write-down is accounted for in the statement of operations and cannot be reversed.

# Students' Representative Council of Bishop's University

## Notes to Financial Statements

April 30, 2021  
(Unaudited)

### 3 - TANGIBLE CAPITAL ASSETS

	<u>2021</u>	<u>2020</u>
	Net carrying amount	Net carrying amount
Cost	Accumulated amortization	
\$	\$	\$
Furniture and equipment	<u>110,541</u>	<u>97,641</u>
	<u>12,900</u>	<u>19,781</u>

### 4 - ACCOUNTS PAYABLE AND OTHER OPERATING LIABILITIES

	<u>2021</u>	<u>2020</u>
	\$	\$
Accounts payable and accrued liabilities	<u>585,601</u>	151,033
Salaries payable	<u>5,716</u>	<u>16,572</u>
	<u>591,317</u>	<u>167,605</u>

### 5 - DEFERRED CONTRIBUTIONS RELATED TO OPERATIONS

	<u>2021</u>	<u>2020</u>
	\$	\$
Opening balance	<u>41,345</u>	37,847
Amount received in the year	<u>47,652</u>	13,528
Amount recognized as revenue in the year	<u>(8,039)</u>	<u>(10,030)</u>
Closing balance	<u>80,958</u>	<u>41,345</u>

Deferred contributions represent unused resources which, as a result of external restrictions, are intended to cover expenses for sustainable development initiatives and yearbook expenses.

### 6 - FINANCIAL RISKS

#### Credit risk

The Organization is exposed to credit risk regarding the financial assets recognized in the statement of financial position. The Organization has determined that the financial assets with more credit risk exposure are accounts receivable since failure of any of these parties to fulfil their obligations could result in significant financial losses for the Organization.

#### Liquidity risk

The Organization's liquidity risk represents the risk that the Organization could encounter difficulty in meeting obligations associated with its financial liabilities. The Organization is, therefore, exposed to liquidity risk with respect to all of the financial liabilities recognized in the statement of financial position.

# Students' Representative Council of Bishop's University

## Schedules

Year ended April 30, 2021  
(Unaudited)

	<b>SCHEDULE A</b>	
	<u>2021</u>	<u>2020</u>
	\$	\$
<b>GENERAL EXPENSES</b>		
Salaries and fringe benefits	310,228	305,963
Event expenses	105,935	216,012
Yearbook expenses	32,267	33,743
Student union fees	25,453	24,662
Insurance	1,464	17,833
Other expenses	16,571	9,128
Club expenses	15,065	20,865
Professional fees	8,230	5,200
Donations	4,961	12,074
Elections	3,570	3,641
Meals and travel	3,335	13,454
Interest and bank charges	2,823	6,862
Office supplies and expenses	2,795	2,847
Professional development	2,002	3,540
Doubtful accounts	287	79
Mobile application		3,500
Maintenance and repairs		93
Amortization of tangible capital assets	<u>2,685</u>	<u>2,774</u>
	<u><u>537,671</u></u>	<u><u>682,270</u></u>
	<b>SCHEDULE B</b>	
	<u>2021</u>	<u>2020</u>
	\$	\$
<b>GAIT EXPENSES</b>		
Salaries and fringe benefits	36,121	63,243
Cost of goods sold	19,216	67,226
Other expenses	2,839	3,664
Permits and licences	2,198	3,158
Security	2,071	6,380
Equipment and glassware	1,969	935
Maintenance and repairs	1,954	283
Live entertainment expenses	579	3,630
Amortization of tangible capital assets	<u>4,896</u>	<u>6,303</u>
	<u><u>71,843</u></u>	<u><u>154,822</u></u>

# Students' Representative Council of Bishop's University

## Schedules

Year ended April 30, 2021  
(Unaudited)

	<b>SCHEDULE C</b>	
	<u>2021</u>	<u>2020</u>
	\$	\$
<b><i>DOOLITTLE'S EXPENSES</i></b>		
Salaries and fringe benefits	27	26,229
Cost of goods sold	11,035	95,307
Software expenses		1,228
Permits and licences		172
Amortization of furniture and fixtures		656
	<u>11,062</u>	<u>123,592</u>

The amount of inventory recognized as expenses during the year corresponds to the cost of goods sold presented in these schedules (\$30,251; \$162,533 in 2020).