

**Students' Representative Council  
of Bishop's University  
Financial Statements  
April 30, 2022**

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of Bishop's University  
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## 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, 2022 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, 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.

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

Sherbrooke  
September 28, 2022

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

# Students' Representative Council of Bishop's University

## Operations and Net Assets

Year ended April 30, 2022

	<u>2022</u>	<u>2021</u>
	\$	\$
<b>Revenues</b>		
Student health insurance fees	466,493	466,012
Student fees	450,974	438,866
Other services	104,096	72,155
Gait sales	198,076	25,792
Doolittle's revenue	<u>10,000</u>	<u>17,993</u>
	<u>1,229,639</u>	<u>1,020,818</u>
<b>Expenses</b>		
General expenses (Schedule A)	655,581	537,671
Student health insurance premiums	431,930	455,679
Gait expenses (Schedule B)	175,596	71,843
Doolittle's expenses		<u>11,062</u>
	<u>1,263,107</u>	<u>1,076,255</u>
Deficiency of revenues over expenses before other income	(33,468)	(55,437)
Other income		
Government assistance	<u>119,337</u>	<u>202,621</u>
<b>Excess of revenues over expenses</b>	<b>85,869</b>	<b>147,184</b>
Net assets, beginning of year	<u>396,633</u>	<u>249,449</u>
Net assets, end of year	<u><u>482,502</u></u>	<u><u>396,633</u></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, 2022

	<u>2022</u>	<u>2021</u>
	\$	\$
<b>OPERATING ACTIVITIES</b>		
Excess of revenues over expenses	85,869	147,184
Non-cash items		
Amortization of tangible capital assets	5,005	7,581
Gain on disposal of tangible capital assets	<u>(472)</u>	<u>          </u>
	<u>90,402</u>	<u>154,765</u>
Net change in working capital items		
Accounts receivable	496,908	(460,642)
Inventory	(473)	24,631
Prepaid expenses	(29,531)	(15,535)
Accounts payable and other operating liabilities	(453,501)	423,712
Deferred contributions related to expenses	<u>10,127</u>	<u>39,613</u>
	<u>23,530</u>	<u>11,779</u>
Cash flows from operating activities	<u>113,932</u>	<u>166,544</u>
<b>INVESTING ACTIVITIES</b>		
Tangible capital assets	(5,479)	(700)
Disposal of tangible capital assets	<u>800</u>	<u>          </u>
Cash flows from investing activities	<u>(4,679)</u>	<u>(700)</u>
<b>Net increase in cash</b>	<b>109,253</b>	165,844
Cash, beginning of year	<u>428,406</u>	<u>262,562</u>
Cash, end of year	<u><u>537,659</u></u>	<u><u>428,406</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, 2022

	<u>2022</u>	<u>2021</u>
	\$	\$
<b>ASSETS</b>		
Current		
Cash	537,659	428,406
Accounts receivable	101,169	598,077
Inventory	13,358	12,885
Prepaid expenses	46,171	16,640
	<u>698,357</u>	<u>1,056,008</u>
Long-term		
Tangible capital assets (Note 3)	13,046	12,900
	<u>711,403</u>	<u>1,068,908</u>
<b>LIABILITIES</b>		
Current		
Accounts payable and other operating liabilities (Note 4)	137,816	591,317
Deferred contributions related to operations (Note 5)	91,085	80,958
	<u>228,901</u>	<u>672,275</u>
<b>NET ASSETS</b>	<u>482,502</u>	<u>396,633</u>
	<u>711,403</u>	<u>1,068,908</u>

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

On behalf of the Board,

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Director

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Director

# Students' Representative Council of Bishop's University

## Notes to Financial Statements

April 30, 2022

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### **1 - GOVERNING STATUTES AND PURPOSE OF THE ORGANIZATION**

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.

### **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 from transactions not concluded with related parties 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 related financing fees and transaction costs.

##### *Subsequent measurement*

At each reporting date, the Organization measures its financial assets and liabilities from transactions not concluded with related parties 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, 2022

### 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.

#### *Gift 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 and the Tourism and Hospitality Recovery Program 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, 2022

### 3 - TANGIBLE CAPITAL ASSETS

	<b>2022</b>		2021
	Cost	Accumulated amortization	Net carrying amount
	\$	\$	\$
Furniture and equipment	<b>112,738</b>	<b>99,692</b>	<b>13,046</b>
			12,900

### 4 - ACCOUNTS PAYABLE AND OTHER OPERATING LIABILITIES

	<b>2022</b>	2021
	\$	\$
Accounts payable and accrued liabilities	<b>117,490</b>	585,601
Salaries payable	<b>15,615</b>	5,716
Sales taxes payable	<b>4,711</b>	
	<b>137,816</b>	591,317

### 5 - DEFERRED CONTRIBUTIONS RELATED TO OPERATIONS

	<b>2022</b>	2021
	\$	\$
Opening balance	<b>80,958</b>	41,345
Amount received in the year	<b>46,600</b>	47,652
Amount recognized as revenue in the year	<b>(36,473)</b>	(8,039)
Closing balance	<b>91,085</b>	80,958

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.

