

Financial Statements of

**THE LAURENTIAN
UNIVERSITY STUDENTS'
GENERAL ASSOCIATION**

Year ended April 30, 2018



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NOTICE TO READER

On the basis of information provided by management, we have compiled the statement of financial position of The Laurentian University Students' General Association as at April 30, 2017 and the statement of operations and net assets (deficiency) for the year then ended. We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon. Readers are cautioned that these financial statements may not be appropriate for their purposes.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Sudbury, Canada
July 13, 2018

THE LAURENTIAN UNIVERSITY STUDENTS' GENERAL ASSOCIATION

Statement of Financial Position

April 30, 2018, with comparative information for 2017
(Unaudited - see Notice to Reader)

	2018	2017
Assets		
Current assets:		
1. Cash	\$ 767,909	\$ 473,791
2. Accounts receivable	34,159	410
3. Investments and marketable securities	-	27,000
4. Prepaid expenses and deposits	2,826	-
5. Due from Laurentian University	101,314	-
	906,208	501,201
6. Capital assets	805,112	37,574
	\$ 1,711,320	\$ 538,775

Liabilities and Net Assets (Deficiency)

Current liabilities:		
7. Accounts payable and accrued liabilities	\$ 802,629	\$ 701,703
8. Club deposits	43,593	3,843
	846,222	705,546
9. Payable to Canadian Federation of Students	300,965	-
10. Deferred capital contributions	759,154	-
	1,906,341	705,546
11. Deficiency in net assets	(195,021)	(166,771)
	\$ 1,711,320	\$ 538,775

See accompanying notes to financial statements.

On behalf of the Board:

THE LAURENTIAN UNIVERSITY STUDENTS' GENERAL ASSOCIATION

Statement of Operations and Net Assets (Deficiency)

Year ended April 30, 2018, with comparative information for 2017
(Unaudited - see Notice to Reader)

	2018	2017
Revenue:		
1. Pub (schedule)	\$ 103,376	\$ 98,295
2. Fees:		
Student's General Association	1,023,172	1,019,368
LAMBDA	50,819	52,480
CKLU	50,819	52,480
3. Health plan	1,342,389	839,676
4. Events, Advertising, Sponsorship Revenue, Grants and other	185,430	15,378
5. V Desk	20,874	6,453
	<u>2,776,879</u>	<u>2,084,130</u>
Expenses:		
6. Health insurance	1,474,004	1,116,897
7. Salaries and benefits	488,592	393,494
8. Events		
Pub (schedule)	211,850	159,824
Canadian Federation of Students	155,555	181,700
Other student organizations	80,093	84,789
LAMBDA	70,936	64,390
CKLU	52,584	52,600
CKLU	52,233	52,880
9. Miscellaneous	49,007	8,395
10. Conference	39,318	29,172
Office and general	26,538	32,275
Donation - gym equipment	25,000	25,000
11. Professional fees	17,956	10,230
OUSA	14,931	16,357
12. Insurance	13,268	35,478
Club funding	12,147	11,407
13. Travel and entertainment	9,126	32,945
14. Advertising	9,038	22,235
15. Interest and bank charges	2,693	3,845
16. Repairs and maintenance	260	1,381
17. V Desk	-	18,406
18. Elections	-	3,390
	<u>2,805,129</u>	<u>2,357,090</u>
19. Deficiency of revenue over expenses	(28,250)	(272,960)
Net assets (deficiency), beginning of year	(166,771)	106,189
20. Deficiency in net assets, end of year	<u>\$ (195,021)</u>	<u>\$ (166,771)</u>

Note:

The recognition, measurement, presentation and disclosure principles in these financial statements may not be in accordance with the requirements of any of the financial reporting frameworks in the CPA Canada Handbook - Accounting.

THE LAURENTIAN UNIVERSITY STUDENTS' GENERAL ASSOCIATION

Schedule of Operations - Pub

Year ended April 30, 2018, with comparative information for 2017
(Unaudited - see Notice to Reader)

	2018	2017
1, Revenue	\$ 103,376	\$ 98,295
Expenses:		
Supplies	72,547	69,034
2, Payroll	72,223	72,055
3, Security	8,358	1,233
Miscellaneous	2,427	4,713
Repairs and maintenance	-	32,015
Professional fees	-	2,650
	155,555	181,700
4, Deficiency of revenue over expenses	\$ (52,179)	\$ (83,405)

Finance Report

Financial Presentation – Follow along with the Financial Statements Attached

Statement of Financial Position

1. Total amount of cash on hand at the end of the year shows on an operational level maintained a surplus. More to show later.
2. Money owed to us from NOHFC, Work Study, incomplete transactions, and various vendors
3. We pulled our GIC from BMO
4. Additional Funds put onto our Credit Card
5. Money owed to us from LU the \$5 SCFee, confirmed to be ours by Sue Radey and KPMG
6. Entered the first transaction for our student centre construction
7. Includes the roughly 300 thousand owed during this coming summer months and the academic loss of roughly 70 thousand and last year's summer month loss of roughly 30 thousand
8. By auditors choice, the club accounts being moved from Asset orientation to Liability
9. CFS Owed Split out, last year combined with A/P and Liabilities
10. The offsetting entry to the construction
11. Our companies new total net assets (Assets – Liabilities)

Statement of Operations and Net Assets

1. By auditors choice, Pub revenue is displayed in combination with café revenue
2. Lower student count this year resulted in lower fees
3. We had increased the value of the health plan fee and thus collected more
4. Finding an incredible amount of extra resources this year to help with funding programs and staffing.
5. The V-Desk revenue, which also includes health plan transactions.
6. Total amount claimed on our health plan, the big reason for our loss this year. Without the changes made in December this would have been significantly worse, now that we have made changes to target towards lowering our debt, you'll start to see these numbers shrinking.
7. Two new full time hires this year, as well as additional student positions.
8. Events was amalgamated with a bunch of different expenses, water bottles, Elections, Food for board meetings, outreach events. Where these numbers were not put into the same category as last year.
9. More items were rolled into miscellaneous to match outline of income statement that KPMG had the previous year.
10. Conference numbers include every expense at a conference, where last years separated them out.
11. Because of not having a finance position during the audit last year, the cost of the audit was significantly high, this is completely fair as KPMG had to do a lot of work prior to my start date.
12. Last year this was paid all at once this year paying on a per month basis, therefore our Insurance looks smaller as we recognized the expense on the monthly basis. Since this happened in Oct, the amounts for the remainder of the year are flowing into the next year.

13. Significant decrease as these numbers are only reflective of the travel and small business meals, last year's numbers include conferences as well.
14. Even though we had a higher presence on campus last year, we spent significantly less on advertising.
15. Wanted to note the significant drop in the interest and bank charges, however still seeming high, this is due to having to switch between banks and having to pay multiple fees on different accounts.
16. Wanted to note the less need of repairs
17. This is expense for the salary of V-desk, this year the auditor looped all into salaries and benefits, which only makes sense.
18. Elections as noted earlier was moved into the events line.
19. We end our year with a significantly better term, the loss being mainly due to the health plan, which has now shown to be stable.
20. Like I said in one of my previous reports, the changes made only effect our overall Net Assets or Deficiencies and we are still negative, this is still a good position as we have created ways of crawling out of this hole. (Touched on further in the report).

Schedule of Operations – Pub

1. This is again the combined amounts for both the Café and Pub as it was the choice of the auditor
2. The combined expenses, still significantly less than the year prior.
3. Security amounts are normally high, last year must not have been allocated properly
4. End with a loss in both the Café and Pub, Pub was roughly 20 thousand while the Café was roughly 30 Thousand. These however were partially subsidised by the revenue from the SCFee that Laurentian had been collecting.

Closing remarks

This year had been a great year. We had issues with the health plan that are now being averted. We have many ways of climbing out of this debt that we are now only waiting on time. What you want to remember too, is that even though we are in debt we don't want to close off operations or gouge the business into running on peanuts having everything go to the debt. The smart way to deal is to manage the debt while maintaining steady operations. This being dealing with the year to year and letting time sort itself out with the contributions that are being made. Our health plan so far this summer has totalled almost a \$50,000 surplus, in 2 months, all this going back to the debt repayment. Along with our extra contribution fees this debt won't last long. While debt re-payment is important we also need to focus on the future. Creating additional sources of funding to help cover cost. The building will be a huge asset to us as it creates numerous ways for us to collect outside funding to help support operations.

While we are still negative on the balance sheet we are improving and will be out of this negative within a couple years. The company was in a bad position before but with changes and smart financial planning it will be back and running smoothly soon. Operationally speaking (not health plan) we ran a surplus, coming out ahead, all this extra is going to be distributed, partially going to health plan and partially going to other reserves.

LU SGA
Quarter 1, Fiscal 19

Account Summary	Budget	Actual
Revenues	13,975.00	17,144.10
Fees Expenses	25,000.00	25,171.63
PUB and Café	0.00	420.86
Salaries & Benefits (1)	135,000.00	127,293.80
Office Expenses (2)	30,000.00	22,712.83
Events (3)	2,000.00	2,072.11
Welcome Week - Event	40,000.00	41,536.00
Total Quarter Expenses	232,000.00	219,207.23

Surplus from Revenues	3,169.10
Surplus from Expenses	<u>12,792.77</u>
Total Surplus on Budget	<u><u>15,961.87</u></u>

Health Plan Surplus/Deficit per Month (4)

May	20,345
June	27,795
July	<u>29,036</u>
Quarter Total	<u><u>77,176</u></u>

- (1) Moved hiring to cover more employment during the academic year
- (2) Using less in summer for more movement during academic year
- (3) Welcome Week became the main focus, event planning and securing will happen in academic year, academic year will see increase
- (4) Seeing huge amounts of surplus in the summer months, positive change and completely due to the changes created during last year