

Financial Statements of

**THE LAURENTIAN
UNIVERSITY STUDENTS'
GENERAL ASSOCIATION**

And Notice to Reader Communication thereon

Year ended April 30, 2020



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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, 2020 and the statement of operations and net 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 8, 2020

THE LAURENTIAN UNIVERSITY STUDENTS' GENERAL ASSOCIATION

Statement of Financial Position

April 30, 2020, with comparative information for 2019
(Unaudited - see Notice to Reader)

	2020	2019
Assets		
Current assets:		
Cash and deposit receipts	\$ 5,012,633	\$ 2,413,435
Accounts receivable	39,528	39,412
Inventories	5,627	-
Prepaid expenses and deposits	49,008	2,607
Due from Laurentian University	-	1,411,202
	5,106,796	3,866,656
Capital assets	9,373,181	4,600,160
	\$ 14,479,977	\$ 8,466,816
Liabilities and Net Deficiency		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 204,872	\$ 348,713
Due to Laurentian University	3,113,839	-
Club deposits	50,406	45,605
	3,369,117	394,318
Payable to Student Associations	307,452	267,965
Interest rate swap	1,952,333	-
Long-term debt (note 2)	8,147,721	5,550,000
Deferred capital contributions	2,411,882	2,277,359
	16,188,505	8,489,642
Net Deficiency		
General Fund	250,002	(54,221)
Capital Fund	(66,259)	31,395
Capital Reserve	60,062	-
Interest Rate Swap	(1,952,333)	-
	(1,708,528)	(22,826)
	\$ 14,479,977	\$ 8,466,816

See accompanying notes to financial statements.

THE LAURENTIAN UNIVERSITY STUDENTS' GENERAL ASSOCIATION

Statement of Operations and Net Deficiency

Year ended April 30, 2020, with comparative information for 2019
(Unaudited - see Notice to Reader)

	General	Capital	Interest Rate Swap	Capital Reserve	2020	2019
Revenue:						
Health plan	\$ 1,465,903	\$ -	\$ -	\$ -	\$ 1,465,903	\$ 1,371,608
Fees:						
Administration Fees	619,173	-	-	60,062	619,173	132,722
Student Centre	310,070	-	-	-	370,132	-
Optional Fees	155,407	-	-	-	155,407	999,930
Pub (schedule)	115,635	-	-	-	115,635	155,334
Rental Revenue	9,085	-	-	-	9,085	5,273
Interest Revenue	59,722	-	-	-	59,722	-
Grants and other	37,401	-	-	-	37,401	85,435
Amortization of deferred capital contributions	-	48,343	-	-	48,343	-
	2,772,396	48,343	-	60,062	2,880,801	2,750,302
Expenses:						
Health insurance	1,277,497	-	-	-	1,277,497	1,263,872
Salaries and benefits	407,551	-	-	-	407,551	499,645
Pub (schedule)	147,463	-	-	-	147,463	174,398
Events	110,239	-	-	-	110,239	167,732
Canadian Federation of Students	18,969	-	-	-	18,969	76,452
Interest and bank charges	2,653	-	-	-	2,653	1,317
Interest on long-term debt (note 2)	310,070	-	-	-	310,070	64,176
Miscellaneous	-	-	-	-	-	33,767
CKLU	2,304	-	-	-	2,304	47,178
LAMBDA	1,000	-	-	-	1,000	46,813
Other student organizations	11,590	-	-	-	11,590	50,237
Insurance	23,921	-	-	-	23,921	32,300
Office and general	32,819	-	-	-	32,819	23,594
Conference	9,069	-	-	-	9,069	22,278
OUSA	6,731	-	-	-	6,731	19,137
Professional fees	38,744	-	-	-	38,744	18,838
Club funding	14,728	-	-	-	14,728	6,971
Travel and entertainment	1,512	-	-	-	1,512	5,265
Upass opt out	18,800	-	-	-	18,800	-
Repairs and maintenance	-	-	-	-	-	795
Donations	19,350	-	-	-	19,350	21,845
Amortization of capital assets	-	159,160	-	-	159,160	14,563
Loss on interest rate swap	-	-	1,952,333	-	1,952,333	-
	2,455,010	159,160	1,952,333	-	4,566,503	2,581,173
Excess (deficiency) of revenue over expenses	317,386	(110,817)	(1,952,333)	60,062	(1,685,702)	169,129
Deficiency in net assets, beginning of year	(54,221)	31,395	-	-	(22,826)	(191,955)
Transfer for capital acquisitions	(13,163)	13,163	-	-	-	-
Net deficiency, end of year	\$ 250,002	(66,259)	(1,952,333)	60,062	(1,708,528)	\$ (22,826)

See accompanying notes to financial statements.

THE LAURENTIAN UNIVERSITY STUDENTS' GENERAL ASSOCIATION

Schedule of Operations - Pub

Year ended April 30, 2020, with comparative information for 2019
(Unaudited - see Notice to Reader)

	2020	2019
Revenue	\$ 115,635	\$ 155,334
Expenses:		
Supplies	68,116	79,626
Payroll	65,544	80,525
Security	12,366	12,208
Miscellaneous	1,437	2,039
	147,463	174,398
Deficiency of revenue over expenses	\$ (31,828)	\$ (19,065)

See accompanying notes to financial statements.

THE LAURENTIAN UNIVERSITY STUDENTS' GENERAL ASSOCIATION

Notes to Financial Statements

Year ended April 30, 2020

1. Basis of presentation:

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.

2. Long-term debt:

In September, 2018, the entity entered into an agreement with the Toronto-Dominion Bank ("TD") for which \$8,195,000 may be advanced to construct the student center. This amount was fully advanced at September 30th, 2020 with principal repayments having begun in February of 2020. This note bears variable interest rate and has a term of 20 years for which it has been amortized over 25 years. The amount has been guaranteed by Laurentian University.

The Association has entered into a interest rate derivative agreement to manage the volatility of interest rates. The Association converted their debt agreement to a fixed rate debt bearing interest 4.102%.