

*Financial Statements of*

**THE CORPORATION OF THE UNIVERSITY  
COLLEGE LITERARY & ATHLETIC SOCIETY  
AT THE UNIVERSITY OF TORONTO**

*April 30, 2018*

**UNIVERSITY COLLEGE LITERARY & ATHLETIC SOCIETY AT  
THE UNIVERSITY OF TORONTO**

**Table of Contents**

**April 30, 2018**

---

**TABLE OF CONTENTS**

	<u>PAGE</u>
AUDITOR'S REPORT.....	1-2
FINANCIAL STATEMENTS	
Statement of Financial Position .....	3
Statement of Operations .....	4
Statement of Net Assets .....	5
Statement of Cash Flows.....	6
NOTES TO THE FINANCIAL STATEMENTS .....	7-9



## Independent Auditor's Report

To the members of  
University College Literary & Athletic Society

We have audited the accompanying financial statements of University College Literary & Athletic Society., which comprise the statement of financial position as at April 30, 2018, and the statements of operations & net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### *Committee's Responsibility for the Financial Statements*

The Committee 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 the Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditor's 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 auditor's 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 the Board, 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 qualified audit opinion.





**GILL & CO.**

Chartered Accountants

2815 Thamesgate Drive  
Mississauga, ON L4T 1G5

TEL 905.677.3322

FAX 905.677.3390

*Basis for Qualified Opinion*

In common with many not-for-profit organizations, University College Literary & Athletic Society derives revenue and incurs expenses from events the completeness of which is not susceptible of satisfactory audit verification. Accordingly, our verification of these revenues and expenses was limited to the amounts recorded in the records of the Society. Therefore, we were not able to determine whether any adjustments might be necessary to revenue, excess of revenue over expenditures, and cash flows from operations for the year ended April 30, 2018, current assets and net assets as at April 30, 2018.

*Qualified Opinion*

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of The University College Literary & Athletic Society as at April 30, 2018, 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.

*Gill & Co. Chartered Accountants*

Gill & Co., Chartered Professional Accountants, Licensed Public Accountants  
January 31, 2019  
Mississauga, Ontario



Service You Can **Count On**

**GillandCo.ca**

**THE CORPORATION OF THE UNIVERSITY COLLEGE LITERARY  
AND ATHLETIC SOCIETY AT THE UNIVERSITY OF TORONTO**

**Statement of Financial Position**

As At April 30, 2018

	<u>2018</u>	<u>2017</u>
<b>ASSETS</b>		
<b>CURRENT</b>		
Bank	\$ 146,909	\$ 166,662
Cash on Hand	9,285	5,107
Inventory	7,127	9,150
Funds Held in Trust by the University of Toronto	30,880	30,880
Fees and Levies Receivable from the University of Toronto	109,743	-
Accounts Receivable	2,767	-
<b>TOTAL CURRENT ASSETS</b>	<u>306,710</u>	<u>211,798</u>
<b>CAPITAL</b>		
Equipment, at Cost	85,481	82,892
Furniture and Fixtures, at Cost	42,806	42,212
	128,287	125,105
Less: Accumulated Amortization	(106,415)	(100,947)
<b>TOTAL CAPITAL ASSETS</b>	<u>21,872</u>	<u>24,157</u>
	<u><b>\$ 328,582</b></u>	<u><b>\$ 235,956</b></u>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts Payable & Accrued Liabilities	\$ 116,057	\$ 114,909
	116,057	114,909
<b>NET ASSETS</b>		
Invested in Capital Assets	21,872	24,157
Restricted Funds	140,623	30,880
Unrestricted Funds	50,029	66,010
	<u>212,525</u>	<u>121,047</u>
	<u><b>\$ 328,582</b></u>	<u><b>\$ 235,956</b></u>

**APPROVED BY THE SOCIETY:**

\_\_\_\_\_ Director

\_\_\_\_\_ Director

**THE CORPORATION OF THE UNIVERSITY COLLEGE LITERARY  
AND ATHLETIC SOCIETY AT THE UNIVERSITY OF TORONTO**

**Statement of Operations**

For the year ended April 30, 2018

	<u>2018</u>	<u>2017</u>
<b>REVENUES</b>		
Fees and levies - University of Toronto	\$ 255,737	\$ 133,223
Refugee Sponsorship Program (SRP)	-	15,000
Fireball	16,530	35,320
Merchandise Revenue	5,764	4,891
Event Revenue	<u>27,412</u>	<u>38,035</u>
	305,443	226,468
<b>EXPENSES</b>		
<b>Commissions</b>		
President	12,088	12,138
Vice-President	5,857	5,207
Finance	5,892	2,147
Services, including Fireball	48,721	57,273
Audit Fees	4,580	3,955
Social	10,297	12,369
Literary and Creative Arts	4,414	5,384
UC Recognized Clubs	71,137	75,381
Equity & Outreach	4,865	7,884
University and Academic Affairs	3,779	2,675
Athletics	7,742	7,906
Amortization of Capital Assets	5,468	6,039
Spirit and Communications	4,962	7,837
Off Campus Commission	5,745	9,251
Sustainability	271	700
Mental Health	269	862
SRP	<u>210</u>	<u>-</u>
	196,295	217,009
<b>Campus clubs, levies and other activities</b>		
WUSC Program	<u>17,671</u>	<u>14,587</u>
<b>TOTAL EXPENSES</b>	<u>213,967</u>	<u>231,595</u>
<b>EXCESS OF REVENUES OVER EXPENSES (EXPENSES OVER REVENUES)</b>	<u>\$ 91,477</u>	<u>\$ (5,127)</u>

The accompanying notes are an integral part of these financial statements.

**THE CORPORATION OF THE UNIVERSITY COLLEGE LITERARY  
AND ATHLETIC SOCIETY AT THE UNIVERSITY OF TORONTO**

**Statement of Changes in Net Assets**

For the year ended April 30, 2018

---

	Unrestricted	Invested in Capital Assets	Restricted Funds	2018	2017
Net Assets - Beginning of Year	\$ 66,010	\$24,157	\$30,880	\$121,047	\$123,394
Excess (Deficiency) of Revenue over Expenses	(15,981)	(5,468)	112,925	91,477	(5,127)
Net change in Investment in Capital Assets	-	3,182	(3,182)	-	-
Other Adjustments		-		-	2,779
<b>NET ASSETS - End of year</b>	<b>\$ 50,029</b>	<b>\$ 21,872</b>	<b>\$ 140,623</b>	<b>\$ 212,524</b>	<b>\$ 121,046</b>

---

---

**THE CORPORATION OF THE UNIVERSITY COLLEGE LITERARY  
AND ATHLETIC SOCIETY AT THE UNIVERSITY OF TORONTO**

**Statement of Cash Flows**

For the year ended April 30, 2018

	<u>2018</u>	<u>2017</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Excess of Revenue over Expenses	\$ 91,477	\$ (5,127)
Changes in Non-Cash Elements of Working Capital:		
(Increase)/decrease in Accounts Receivable	(112,510)	6,649
Decrease in Prepaid Expenses	-	500
Decrease/(Increase) in Inventory	2,023	(9,150)
Increase in Accounts Payable & Accrued Liabilities	1,149	99,490
Adjustment to Opening Net Assets	-	2,779
Amortization of Capital Assets	5,468	6,039
	<u>(12,394)</u>	<u>101,181</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of Fixed Assets	<u>(3,182)</u>	<u>(9,428)</u>
<b>INCREASE (DECREASE) IN CASH</b>	(15,576)	91,753
<b>CASH - Beginning of Year</b>	171,769	80,016
<b>CASH - End of Year</b>	<u>\$ 156,194</u>	<u>\$ 171,769</u>
Represented By:		
Bank	\$ 146,909	\$ 166,662
Cash on Hand	9,285	5,107
	<u>\$ 156,194</u>	<u>\$ 171,769</u>

The accompanying notes are an integral part of these financial statements.

# UNIVERSITY COLLEGE LITERARY & ATHLETIC SOCIETY AT THE UNIVERSITY OF TORONTO

## Notes to the Financial Statements

For the year ended April 30, 2018

---

### 1. PURPOSE OF THE ORGANIZATION

The Corporation of the University College Literary and Athletic Society at the University of Toronto is a commission of students sharing a special interest in promoting an atmosphere of collegiality that best serves the needs of the University College community at the University of Toronto. The Society was incorporated under Letters Patent in the Province of Ontario on December 5, 2005.

The Society qualifies as a Not-For-Profit organization under the terms of the Income Tax Act (Canada) and, as such, is exempt from income taxes.

The financial statements reflect the assets, liabilities, net assets, receipts, expenditures and other transactions of all the operations, clubs and organizations controlled by the Society. Accordingly, these financial statements include the administrative and operating expenditures funded by fees provided by the University of Toronto and other general receipts; restricted purpose trust funds, and the ancillary operations of the Society.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Society are in accordance with Canadian generally accepted accounting principles, and their basis of application is consistent with that of the previous year. The precise determination of many assets and liabilities is dependent upon future events. Accordingly, the preparation of financial statements for a reporting period necessarily involves the use of estimates and approximations, which have been made using careful judgement. Actual results could differ from those estimates. The financial statements have, in the Society's management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below.

#### (a) Funds held in trust

Funds held in trust by the University of Toronto relate to receipts of an annual levy intended for capital asset acquisitions and includes the interest earned on the funds. The funds will be made available upon acceptance by the University of Toronto of an application made by the Society

#### (b) Accrual Basis of Accounting

Revenues and expenditures are recorded on the accrual basis, whereby they are reflected in the accounts in the period in which they have been earned and incurred, respectively, whether or not such transactions have been finally settled by the receipt or payment of cash.

# UNIVERSITY COLLEGE LITERARY & ATHLETIC SOCIETY AT THE UNIVERSITY OF TORONTO

## Notes to the Financial Statements

For the year ended April 30, 2018

---

### **(c) Capital Assets**

Capital assets are recorded as capital additions in the year the cost is incurred. Amortization is provided on a declining balance basis at the rate of 20% per annum and is intended to write-off the cost of the capital assets over their estimated useful lives.

### **(d) Revenue Recognition**

The Society follows the deferral method of accounting for contributions and records all cash receipts and expenditures as on account of general operating funds. Contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Certain contributions are restricted in nature and are paid to various committees upon receipt.

### **(e) Society Organizations**

These financial statements do not reflect the assets, liabilities and result of operations of the various clubs and student organizations at the Society.

### **(f) Contributed Services**

Volunteers contribute an indeterminable number of hours per year to assist the Society in carrying out its service delivery and administrative activities. Because of the difficulty of determining their fair value, contributed services are not recognized in these financial statements.

### **(g) Net assets invested in capital assets**

Net assets invested in capital assets is comprised of the net book value of capital assets. Capital asset additions are financed by monies held in trust by the University of Toronto if application is made for the release of those funds.

### **(h) Use of estimates**

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, receipts and expenditures during the period. Actual results could differ from these estimates. These estimates are reviewed annually and as adjustments become necessary, they are recorded in the financial statements in the period in which they become known. Management has made estimates on the following items:

# **UNIVERSITY COLLEGE LITERARY & ATHLETIC SOCIETY AT THE UNIVERSITY OF TORONTO**

## **Notes to the Financial Statements**

**For the year ended April 30, 2018**

---

- Accrued Liabilities
- Amortization
- Cash in Hand

### **3. FINANCIAL INSTRUMENTS**

The Society's financial instruments consist of cash, accounts receivable and accounts payable. The fair value of these financial instruments approximate their carrying values, unless otherwise stated. It is management's opinion that the Society is not exposed to significant interest, currency or credit risk arising from these financial instruments. Included in cash and accounts payable at April 30, 2018 was \$110,100.00 that was received as part of a renovation fund for renovations that have been planned at the University College. The College administration decided to renovate parts of the building and last year's core-executive team decided to have the funds flow through the Society's bank account for eventual transfer to the administration's account.

### **4. ECONOMIC DEPENDENCE**

The Society is dependent upon the University of Toronto for its funding.

### **5. RELATED PARTY TRANSACTIONS**

The Society receives student fees from the University of Toronto and occupies space at no charge in the offices at the University of Toronto. All other purchases are in the normal course of business.