

**FINANCIAL STATEMENTS OF**

**TRENT GRADUATE STUDENTS'  
ASSOCIATION**

**April 30, 2018**

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## **INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT**

To the Members of  
Trent Graduate Students' Association

We have reviewed the accompanying financial statements of Trent Graduate Students' Association that comprise the statement of financial position as at April 30, 2018, and the statements of operations and changes in fund balances and 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 the accompanying 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.

### **Basis for Qualified Conclusion**

The Trent Graduate Students' Association does not have access to certain bank statements for two ancillary bank accounts for the period of May 1, 2017 to April 30, 2018. Accordingly, our verification of the activity in these accounts was limited to the amounts recorded by management. We were not able to determine whether any adjustments might be necessary to the revenues, expenses, excess (deficiency) of revenues over expenses, assets and fund balances.

## **INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT, continued**

### **Qualified Conclusion**

Based on our review, except for the effects of the matter described in the Basis for Qualified Conclusion paragraph, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Trent Graduate Students' Association 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.

### **Other Matter**

The financial statements of Trent Graduate Students' Association for the year ended April 30, 2017 were audited by another practitioner who expressed an unmodified conclusion on those statements on April 9, 2018.

Chartered Professional Accountants  
Licensed Public Accountants

Peterborough, Ontario  
Date to be determined

*Draft - February 23, 2018*

**TRENT GRADUATE STUDENTS' ASSOCIATION**  
**STATEMENT OF FINANCIAL POSITION**  
**As at April 30, 2018**

	2018	2017
	\$	\$
<b>ASSETS</b>		
<b>Current assets</b>		
Cash	69,205	66,451
Due from Trent University (note 3)	34,618	14,605
Prepaid expenses	378	379
	104,201	81,435
<b>LIABILITIES AND FUND BALANCES</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	21,741	12,342
<b>Fund balances</b>		
Unrestricted	37,815	18,606
Restricted	-	7,004
Contingency fund (note 4)	39,645	38,483
Emergency fund (note 5)	5,000	5,000
	82,460	69,093
	104,201	81,435

Draft - February 23, 2022

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

**TRENT GRADUATE STUDENTS' ASSOCIATION**  
**STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES**  
For the year ended April 30, 2018

	2018	2017
	\$	\$
<b>Revenues</b>		
College fees	28,646	24,442
Student levy fees	17,814	16,700
Student activities and sponsorships	1,231	1,100
Other	200	146
Health plan	-	61,943
	<b>47,891</b>	<b>104,331</b>
<b>Expenses</b>		
Conference bursaries	10,009	7,783
Honoraria	8,000	6,900
Professional fees	5,262	5,076
Office and miscellaneous	4,049	3,629
Emergency bursaries	1,875	-
Insurance	1,666	1,610
Student activities and sponsorships	1,656	2,970
Student seminars	1,500	1,500
Other	507	72
Membership fees	-	1,489
Minor equipment purchase	-	269
Health plan	-	60,520
	<b>34,524</b>	<b>91,818</b>
<b>Excess of revenues over expenses for the year</b>	<b>13,367</b>	<b>12,513</b>
<b>Balance - beginning of year</b>	<b>69,093</b>	<b>56,580</b>
<b>Balance - end of year</b>	<b>82,460</b>	<b>69,093</b>

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

**TRENT GRADUATE STUDENTS' ASSOCIATION**  
**STATEMENT OF CASH FLOWS**  
For the year ended April 30, 2018

	2018	2017
	\$	\$
<b>CASH PROVIDED FROM (USED FOR)</b>		
<b>Operating activities</b>		
Excess of revenues over expenses for the year	13,367	12,513
Change in non-cash working capital items		
Due from Trent University	(20,013)	(12,783)
Prepaid expenses	1	60,520
Accounts payable and accrued liabilities	9,399	8,447
Deferred revenue	-	(61,943)
<b>Increase in cash</b>	<b>2,754</b>	<b>6,754</b>
<b>Cash - beginning of year</b>	<b>66,451</b>	<b>59,697</b>
<b>Cash - end of year</b>	<b>69,205</b>	<b>66,451</b>

Draft - February 23, 2022

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

**TRENT GRADUATE STUDENTS' ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended April 30, 2018

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**1. NATURE OF OPERATIONS**

Trent Graduate Students' Association (the "Association") is a non-profit organization which provides services to the graduate students of Trent University. Its objectives include: bringing all graduate students into formal association on a democratic and cooperative basis; to contribute to the intellectual growth and cultural development of members of the community; to uphold and respect principles of academic freedom; to promote the welfare of, and advocate for, individual and collective graduate student needs and concerns; and to promote and maintain communication between graduate students and other members of the community, including administration, faculty, staff and undergraduate students.

The Association is not subject to corporate income taxes and, as provided by its Letters Patent, the Association shall be carried on without the purpose of pecuniary gain for its members and any profits or other accretions to the Association shall be used in promoting its objects.

**2. SIGNIFICANT ACCOUNTING POLICIES**

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The significant accounting policies are detailed as follows:

*(a) Revenue recognition*

The Association follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenditures are incurred. Unrestricted contributions are recognized as revenue when received or receivable when the amount to be received can be reasonably estimated and collection is reasonably assured.

Expenses are reported on the accrual basis of accounting. The accrual basis of accounting recognizes expenses in the period the goods or services are acquired and a legal liability is incurred.

*(b) Use of estimates*

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

*(c) Contributed services*

Directors and committee members volunteer their time to assist in the Association's activities. While these services benefit the Association considerably, a reasonable estimate of their amount and fair value cannot be made and, accordingly, these contributed services are not recognized in the financial statements.

**TRENT GRADUATE STUDENTS' ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended April 30, 2018

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2. **SIGNIFICANT ACCOUNTING POLICIES, continued**

(d) *Financial instruments*

The Association initially records a financial instrument at its fair value except for a related party transaction which is recorded at the carrying or exchange amount depending on the circumstances.

Transaction costs are recognized in net income in the period incurred. However, transaction costs associated with financial instruments carried at cost or amortized cost are recorded as adjustments to the initial fair value recognized and amortized over the expected life of the instrument.

Financial assets and financial liabilities subsequently measured at amortized cost include cash, due from Trent University, and accounts payable and accrued liabilities.

When there is an indication of impairment and such impairment is determined to have occurred, the carrying amount of financial assets measured at amortized cost is reduced to the greater of the discounted future cash flows expected, the proceeds that could be realized from the sale of the financial asset, or the amount that could be realized by exercising the right to any collateral held to secure repayment of the asset. Such impairments can be subsequently reversed to the extent that the improvement can be related to an event occurring after the impairment was recognized.

3. **DUE FROM TRENT UNIVERSITY**

The Association is related to Trent University. The University collects all student fees on behalf of the Association. The funds are maintained by the University and transferred to the Association as stipulated in an agreement between the two parties.

4. **CONTINGENCY FUND**

As per the by-laws of the Association, surplus funds amounting to at least 2.5% of the annual gross college and student levy fees collected must be invested into a contingency fund for future endeavours each year. During the year, \$1,162 (2017 - \$6,645) was transferred to this fund.

5. **EMERGENCY FUND**

As per the by-laws of the Association, surplus funds are transferred to an emergency fund. The emergency fund should have a balance no greater than \$5,000.

During the year, \$1,875 (2017 - \$5,000) was transferred between the Association's funds for this purpose.



**TRENT GRADUATE STUDENTS' ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended April 30, 2018

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**6. FINANCIAL INSTRUMENTS**

Transactions in financial instruments may result in an entity assuming or transferring to another party one or more financial risks. The required disclosures provide information that assists users of financial statements in assessing the extent of risk related to financial instruments. The Association is not subject to significant credit, currency or concentration risk.

The Association is exposed to the following risks in respect of certain of the financial instruments held:

*(a) Liquidity risk*

Liquidity risk is the risk that the Association will not be able to meet its obligations associated with financial liabilities. Cash flow from student levied fees is sufficient to meet the Association's cash requirements. Therefore, it is management's opinion that the liquidity risk is low.

**7. SUBSEQUENT EVENTS**

On March 11, 2020, the World Health Organization categorized COVID-19 as a pandemic. The potential economic effects within the Association's environment and in the global markets due to the possible disruption in supply chains, and measures being introduced at various levels of government to curtail the spread of the virus (such as travel restrictions, closures of non-essential municipal and private operations, imposition of quarantines and social distancing) could have a material impact on the Association's operations.

The extent of the impact of this outbreak and related containment measures on the Association's operations cannot be reliably estimated at this time.