Dawson Student Union
Financial Statements
For the year ended May 31, 2025

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Independent Auditor's Report

To the Members of
Dawson Student Union

Opinion

We have audited the financial statements of Dawson Student Union (the "Union"), which comprise the statement of financial position as at May 31, 2025, the statements of changes in net assets, operations and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

Qualified Opinion

In our opinion, except for the possible effects of the matters described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Union as at May 31, 2025, and the results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified Opinion

In common with many not-for-profit organizations, the Union derives part of its receipts from the general public in the form of cash receipts, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Union. Therefore, we were not able to determine whether any adjustments might be necessary to revenues, excess of revenues over expenditures and cash flows for the years ended May 31, 2025 and 2024, assets as at May 31, 2025 and 2024 and net asset balances as at June 1 and May 30 for both the 2025 and 2024 years. Our audit opinion on the financial statements for the year ended May 31, 2025 was modified accordingly because of the possible effects of this limitation of scope.

In addition, we were unable to observe the physical inventory count and we were unable to satisfy ourselves by alternative means concerning the inventory quantities held as at May 31, 2025, which are stated in the balance sheet as $34,739 (2024 - $49,559). As a result of this matter, we were unable to determine whether any adjustments might have been necessary in respect of recorded inventory and the elements making up the statements of changes in net assets, operations and cash flows as at May 31, 2025, due to this limitation in scope.

BDO Canada LLP, a Canadian limited liability partnership, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Union in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the Union's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Union or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Union's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Independent Auditor's Report

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Union's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Union's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Union to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

[1]

BDO Canada s.r.l./S.E.N.C.R.L./LLP

Montréal, Québec
June 4, 2026

[1] CPA auditor, public accountancy permit No. A118902

Dawson Student Union
Statement of Financial Position

May 31	2025	2024
Assets		
Current		
Cash	**$ 1,400,232**	$ 377,917
Accounts receivable	**230,998**	243,197
Prepaid expenses	**264**	4,158
Inventory	**34,739**	49,559
	1,666,233	674,831
Capital assets (Note 2)	**3,754**	5,651
	$ 1,669,987	$ 680,482
Liabilities and Net Assets		
Current		
Accounts payable and accrued liabilities (Note 3)	**$ 582,872**	$ 51,879
Deferred revenue (Note 4)	**403,280**	12,161
	986,152	64,040
Net Assets		
Unrestricted	**683,835**	616,442
	$ 1,669,987	$ 680,482

On behalf of the Board:

_____ Director

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

Dawson Student Union
Statement of Changes in Net Assets

For the year ended May 31	2025	2024
Balance, beginning of the year	**$ 616,442**	$ 544,955
Excess of revenues over expenditures	**67,393**	71,487
Balance, end of the year	**$ 683,835**	$ 616,442

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

Dawson Student Union
Statement of Operations

For the year ended May 31	2025	2024
Revenues		
Student fees	$ 487,280	$ 519,232
Sponsorships	3,748	2,802
Donation revenue	5,462	3,630
Interest income	6,654	5,273
Health and dental insurance fees	1,241,384	-
	1,744,528	530,937
Expenditures		
Health and dental insurance expenses	1,241,384	-
Salaries and wages	155,099	149,170
Executives' honorariums	61,693	45,022
Student programs and services	53,784	57,435
Professional fees	49,869	46,997
Advertising and promotion	29,547	32,316
Events and campaigns	27,263	37,443
Student groups	15,736	22,437
The Plant Newspaper	13,721	14,732
Telephone and website	8,647	7,185
Insurance	6,805	7,239
Office expenses	4,069	4,825
Elections and general assemblies	3,365	6,747
Amortization of capital assets	2,690	3,483
Interest and bank charges	1,834	1,332
Conferences and meetings	1,028	2,423
Travelling	706	549
Donations (recovered)	(105)	20,115
	1,677,135	459,450
Excess of revenues over expenditures	$ 67,393	$ 71,487

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

Dawson Student Union
Statement of Cash Flows

For the year ended May 31	2025	2024
Cash flows from operating activities		
Excess of revenues over expenditures	**$ 67,393**	$ 71,487
Item not affecting cash:		
Amortization of capital assets	**2,690**	3,483
	70,083	74,970
Changes in non-cash working capital:		
Accounts receivable	**12,199**	(31,458)
Prepaid expenses	**3,894**	(282)
Inventory	**14,820**	(49,559)
Accounts payable and accrued liabilities	**530,993**	38,026
Deferred revenue	**391,119**	-
	1,023,108	31,697
Cash flows from investing activity		
Acquisition of capital assets	**(793)**	(4,828)
Net increase in cash	**1,022,315**	26,869
Cash, beginning of the year	**377,917**	351,048
Cash, end of the year	**$ 1,400,232**	$ 377,917

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

May 31, 2025

1. Significant Accounting Policies

Nature and Purpose of Organization

Dawson Student Union (the "Union") is a student-run not-for-profit organization, incorporated under Part III of Québec Companies' Act and is exempt from the payment of income taxes under the Income Tax Act.

The Union's objective is to enhance the overall educational experience and quality of campus life for students and other members of the Dawson community. This entails engaging the student population in campus activities, supporting student rights and empowering students to become proactive and open-minded members of our community while encouraging independent thinking, self-expression and to advocate the common good.

Basis of Accounting

The financial statements have been prepared using Canadian accounting standards for not-for-profit organizations.

Revenue Recognition

The Union follows the deferral method of accounting for contributions.

Student fees are collected from students by Dawson College and are recognized as revenues by the Union on a straight-line basis over the school year.

Health and dental insurance fees are collected from students by Dawson College and are recognized as revenues by the Union on a straight-line basis over the school year.

Sponsorships collected by the Union are recognized in the year they apply to, based on the agreement. The Union recognizes these on a deferral basis.

Unrestricted contributions, such as donations, are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Interest income is recognized on a time basis in the period in which it is earned.

Financial Instruments

Arm's length financial instruments are recorded at fair value at initial recognition.

Related party financial instruments quoted in an active market or those with observable inputs significant to the determination of fair value or derivative contracts are recorded at fair value at initial recognition. All other related party financial instruments are recorded at cost at initial recognition.

1. Significant Accounting Policies (continued)

Financial Instruments (continued)

In subsequent periods, equities traded in an active market and derivatives are reported at fair value, with any change in fair value reported in income. All other financial instruments are reported at cost or amortized cost less impairment. Transaction costs on the acquisition, sale or issue of financial instruments are expensed for those items measured at fair value and charged to the financial instrument for those measured at amortized cost.

Financial assets are tested for impairment when indicators of impairment exist. When a significant change in the expected timing or amount of the future cash flows of the financial asset is identified, the carrying amount of the financial asset is reduced and the amount of the write-down is recognized in the statement of operations. A previously recognized impairment loss may be reversed to the extent of the improvement, provided it is not greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously, and the amount of the reversal is recognized in the statement of operations.

Capital Assets

Capital assets are accounted for at cost. Amortization is calculated on their respective estimated useful life using the declining balance method at the following rates:

	Rates
Computer equipment	55%
Office equipment	20%
Branding	8%

Contributed Services

Volunteers contribute significant hours annually to assist the Union in carrying out its activities. Due to the difficulty in determining the fair value of this volunteer time, such contributions are not recognized in the financial statements.

The Union receives free rental of office space from Dawson College, however, the value of this rent is difficult to estimate, and is therefore not included in the financial statements.

Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the amounts recognized as revenues and expenditures for the periods covered. Actual results may differ from these estimates. The critical estimates relate to the provision for doubtful accounts.

2. Capital Assets

	2025		2024	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Computer equipment	$ 9,535	$ 7,555	$ 9,536	$ 5,134
Office equipment	1,601	601	1,601	352
Branding	793	19	-	-
	11,929	8,175	11,137	5,486
		$ 3,754		$ 5,651

3. Accounts Payable and Accrued Liabilities

Included in accounts payable is an amount of $565,443 for the Dental and Health plan.

4. Deferred Revenue

The deferred revenue represents externally restricted funding received and will be recognized as revenue in the period in which the related expense will be incurred. Changes in the deferred contributions balance are as follows:

	2025	2024
Balance, beginning of the year	$ 12,161	$ 12,161
Amounts received related a subsequent period	391,119	2,200
Amounts recognized as revenue in the year	-	(2,200)
Balance, end of the year	$ 403,280	$ 12,161

5. Economic Dependence

The Union receives dues from student tuition payments that are collected by Dawson College on behalf of the Union to ensure the continuity of its operations.

6. Financial Instruments

Credit risk

Credit risk is the risk that one party to a financial asset will cause a financial loss for the Union by failing to discharge an obligation. The Union's credit risk is mainly related to accounts receivable, all of which are due from Dawson College.

There has been no change in the risk exposure compared to the prior year.

Liquidity risk

Liquidity risk is the risk that the Union will encounter difficulty in meeting obligations associated with financial liabilities. The Union is exposed to this risk mainly in respect to accounts payable.

There has been no change in the risk exposure compared to the prior year.