

**Dawson Student Union  
Financial Statements  
For the year ended May 31, 2024**

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Financial Statements  
For the year ended May 31, 2024**

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## Independent Auditor's Report

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**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, 2024, the statements of changes in net assets, income 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 matter 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, 2024, 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, 2024 and 2023, assets as at May 31, 2024 and 2023 and net asset balances as at June 1 and May 30 for both the 2024 and 2023 years. Our audit opinion on the financial statements for the year ended May 31, 2024 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 at May 31, 2024, which are stated in the balance sheet as \$49,559. As a result of this matter, we were unable to determine whether any adjustments might have been necessary in respect of recorded inventories and the elements making up the statements of changes in net assets, income and cash flows as at May 31, 2024, due to this limitation in scope.

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## Independent Auditor's Report

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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.

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## Independent Auditor's Report

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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.

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

Montréal, Québec  
April 9, 2025

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<sup>1</sup> CPA auditor, public accountancy permit No. A118902

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## Dawson Student Union Statement of Financial Position

May 31	2024	2023
<b>Assets</b>		
<b>Current</b>		
Cash	\$ 377,917	\$ 351,048
Accounts receivable	243,197	211,739
Prepaid expenditures	4,158	3,876
Inventory	49,559	-
	<hr/>	<hr/>
	674,831	566,663
<b>Capital Assets (Note 2)</b>	<hr/>	<hr/>
	5,651	4,306
	<hr/>	<hr/>
	<b>\$ 680,482</b>	<b>\$ 570,969</b>
<b>Liabilities and Net Assets</b>		
<b>Current</b>		
Accounts payable and accrued liabilities	\$ 51,879	\$ 13,853
Deferred revenue (Note 3)	12,161	12,161
	<hr/>	<hr/>
	64,040	26,014
<b>Net Assets</b>	<hr/>	<hr/>
Unrestricted	616,442	544,955
	<hr/>	<hr/>
	<b>\$ 680,482</b>	<b>\$ 570,969</b>

On behalf of the Board:

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Director

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**Dawson Student Union  
Statement of Changes in Net Assets**

<b>For the year ended May 31</b>	<b>2024</b>	<b>2023</b>
Balance, beginning of the year	\$ 544,955	\$ 532,935
Excess of revenues over expenditures	<u>71,487</u>	12,020
<b>Balance, end of the year</b>	<b>\$ 616,442</b>	<b>\$ 544,955</b>

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## Dawson Student Union Statement of Income

<u>For the year ended May 31</u>	<u>2024</u>	<u>2023</u>
<b>Revenues</b>		
Student fees	\$ 519,232	\$ 444,346
Event income	-	14,477
Sponsorships	2,802	3,000
Donation revenue	3,630	898
Interest income	5,273	1,111
	<hr/>	<hr/>
	530,937	463,832
<b>Expenditures</b>		
Advertising and promotion	32,316	35,632
Amortization of capital assets	3,483	2,003
Conferences and meetings	2,423	8,407
Donations	20,115	2,824
Elections and general assemblies	6,747	8,147
Events and campaigns	37,443	75,209
Executives' honorariums	45,022	46,020
Insurance	7,239	8,013
Interest and bank charges	1,332	1,091
Office expenditures	4,825	4,860
Professional fees	46,997	24,624
Salaries and wages	149,170	107,856
Student groups	22,437	16,582
Student programs and services	57,435	60,582
Telephone and website	7,185	26,637
The Plant Newspaper	14,732	21,522
Travelling	549	1,803
	<hr/>	<hr/>
	459,450	451,812
<b>Excess of revenues over expenditures</b>	<hr/>	<hr/>
	\$ 71,487	\$ 12,020

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## Dawson Student Union Statement of Cash Flows

<u>For the year ended May 31</u>	<u>2024</u>	<u>2023</u>
<b>Cash flows from operating activities</b>		
Excess of revenues over expenditures	\$ 71,487	\$ 12,020
Items not affecting cash:		
Amortization of capital assets	<u>3,483</u>	<u>2,003</u>
	74,970	14,023
Changes in non-cash working capital:		
Accounts receivable	(31,458)	(5,933)
Prepaid expenditures	(282)	386
Accounts payable and accrued liabilities	38,026	(6,689)
Deferred revenue	-	12,161
Inventory	<u>(49,559)</u>	<u>-</u>
	31,697	13,948
<b>Cash flows from investing activity</b>		
Acquisition of capital assets	<u>(4,828)</u>	<u>(6,309)</u>
<b>Net increase in cash</b>	<b>26,869</b>	7,639
<b>Cash, beginning of the year</b>	<b>351,048</b>	343,409
<b>Cash, end of the year</b>	<b>\$ 377,917</b>	<b>\$ 351,048</b>

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## Dawson Student Union Notes to Financial Statements

May 31, 2024

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### 1. Significant Accounting Policies

<b>Nature and Purpose of Organization</b>	Dawson Student Union (the "Union") is a student-run not-for-profit organization, incorporated under Part III of Quebec 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.
<b>Basis of Accounting</b>	The financial statements have been prepared using Canadian accounting standards for not-for-profit organizations.
<b>Revenue Recognition</b>	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.  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.
<b>Financial Instruments</b>	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.  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.

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## Dawson Student Union Notes to Financial Statements

May 31, 2024

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### 1. Significant Accounting Policies (continued)

<b>Financial Instruments (continued)</b>	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 income. 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 income.
<b>Capital Assets</b>	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:
	<b>Rates</b>
Computer equipment	55%
Office equipment	20%
<b>Contributed Services</b>	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.
<b>Use of Estimates</b>	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.

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## Dawson Student Union Notes to Financial Statements

May 31, 2024

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### 2. Capital Assets

	2024		2023	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Computer equipment	\$ 9,536	\$ 5,134	\$ 5,614	\$ 1,920
Office equipment	1,601	352	695	83
	<hr/> <b>11,137</b>	<hr/> <b>5,486</b>	<hr/> <b>6,309</b>	<hr/> <b>2,003</b>
	<hr/> <b>\$ 5,651</b>		<hr/> <b>\$ 4,306</b>	

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### 3. 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:

	2024	2023
Balance, beginning of the year	\$ 12,161	\$ -
Amounts received related a subsequent period	2,200	15,161
Amounts recognized as revenue in the year	<hr/> <b>(2,200)</b>	<hr/> <b>(3,000)</b>
Balance, end of the year	<hr/> <b>\$ 12,161</b>	<hr/> <b>\$ 12,161</b>

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### 4. 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.

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## Dawson Student Union Notes to Financial Statements

May 31, 2024

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### 5. 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 and accrued liabilities.

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

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### 6. Comparative Information

Some comparative information has been reclassified to conform with the current year presentation.

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