

**KWANTLEN COLLEGE STUDENT ASSOCIATION
FINANCIAL STATEMENTS**

APRIL 30, 1994

RENNIE & COMPANY

CHARTERED ACCOUNTANTS

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AUDITORS' REPORT

To the Members,
Kwantlen College Student Association

We have audited the balance sheet of Kwantlen College Student Association as at April 30, 1994 and the statements of revenue, expenditure and members' equity and cash flow for the year then ended. These financial statements are the responsibility of the association's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the association as at April 30, 1994 and the results of its operations and its cash flow for the year then ended in accordance with generally accepted accounting principles. As required by the Society Act of B.C., we report that, in our opinion, these principles have been applied on a basis consistent with that of the preceding year.

The comparative figures for the year ended April 30, 1993 have been audited by another firm of chartered accountants.

Vancouver, B.C.
September 23, 1994


Chartered Accountants

KWANTLEN COLLEGE STUDENT ASSOCIATION

(Incorporated under the Society Act of B.C.)

OPERATING FUND

BALANCE SHEET

AS AT APRIL 30, 1994

	1994	1993
ASSETS		
Current		
Cash and term deposits	\$ 311,570	\$ 230,397
Accounts receivable	14,131	21,633
Prepaid expenses	386	329
	<u>\$ 326,087</u>	<u>\$ 252,359</u>

LIABILITIES AND MEMBERS' EQUITY

Current		
Accounts payable		
Canadian Federation of Students - Note 4	\$ 69,487	\$ 69,487
Other	5,000	7,120
Due to capital fund	32,746	5,941
Current portion of capital lease obligations	<u>2,635</u>	<u>2,930</u>
	109,868	85,478
Capital lease obligations - Note 2	2,364	4,747
Members' equity	213,855	162,134
	<u>\$ 326,087</u>	<u>\$ 252,359</u>

Approved by the Council

_____ President

_____ Treasurer

See accompanying notes to the financial statements

KWANTLEN COLLEGE STUDENT ASSOCIATION

(Incorporated under the Society Act of B.C.)

CAPITAL FUND

BALANCE SHEET

AS AT APRIL 30, 1994

	1994	1993
ASSETS		
Current		
Cash and term deposits	\$ 22,455	\$ 70,760
Due from operating fund	32,746	5,941
Accounts receivable	202	1,499
	<u>\$ 55,403</u>	<u>\$ 78,200</u>

MEMBERS' EQUITY

Members' equity, beginning of the year	\$ 78,200	\$ 76,919
Student levies	19,899	18,376
Interest income	1,262	2,616
Capital equipment purchases	(43,958)	(19,711)
Members' equity, end of the year	<u>\$ 55,403</u>	<u>\$ 78,200</u>

Approved by the Council

_____ President

_____ Treasurer

See accompanying notes to the financial statements

KWANTLEN COLLEGE STUDENT ASSOCIATION

OPERATING FUND

**STATEMENT OF REVENUES, EXPENDITURES
AND MEMBERS' EQUITY**

FOR THE YEAR ENDED APRIL 30, 1994

	1994	1993
Revenues		
Activity fees	\$ 349,701	\$ 312,669
Casino	31,315	11,822
Interest and other	7,126	7,972
Advertising - handbook	6,326	6,924
Locker rental - net	8,754	431
Arcade games	11,211	-
	<u>414,433</u>	<u>339,818</u>
Expenditures		
Activities	72,034	53,531
Clubs	-	6,686
Casino		
Scholarship	14,830	5,999
License	3,132	912
Casino management fee and other	13,402	4,954
Computer leasing	-	3,868
Conference and travel	5,662	8,942
Daycare	5,650	4,390
Donations	6,250	1,750
Gas reimbursements	12,536	6,314
Handbook	21,149	100
Honoraria	37,036	23,566
Insurance	1,487	1,358
Interest		
Capital fund	98	644
Capital lease obligations	1,497	1,996
Office and other	43,081	21,256
Professional fees	6,375	8,347
Scholarships	21,340	-
Telephone	5,301	4,100
Wages and benefits	91,852	93,949
	<u>362,712</u>	<u>252,662</u>
Excess of revenues over expenditures for the year	51,721	87,156
Members' equity, beginning of the year	162,134	74,978
Members' equity, end of the year	<u>\$ 213,855</u>	<u>\$ 162,134</u>

See accompanying notes to the financial statements

KWANTLEN COLLEGE STUDENT ASSOCIATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED APRIL 30, 1994

	1994	1993	1994	1993
	<u>Operating Fund</u>		<u>Capital Fund</u>	
Operating/capital activities				
Excess of revenues (expenditures) for the year	\$ 51,721	\$ 87,156	\$ (22,797)	\$ 1,281
Changes in non-cash working capital items	<u>32,130</u>	<u>(28,857)</u>	<u>(25,508)</u>	<u>14,660</u>
	<u>83,851</u>	<u>58,299</u>	<u>(48,305)</u>	<u>15,941</u>
Financing activity				
Repayment of capital lease obligations	<u>(2,678)</u>	<u>(3,444)</u>	<u>-</u>	<u>-</u>
Increase (decrease) in cash for the year	81,173	54,855	(48,305)	15,941
Cash, beginning of the year	230,397	175,542	70,760	54,819
Cash, end of the year	<u>\$ 311,570</u>	<u>\$ 230,397</u>	<u>\$ 22,455</u>	<u>\$ 70,760</u>

See accompanying notes to the financial statements

KWANTLEN COLLEGE STUDENT ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

APRIL 30, 1994

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES

a. Capital Expenditures

The Association has adopted the policy of expensing capital additions in the year the asset is acquired.

b. Capital Fund - Building Improvements

A capital fund has been established to enable the Association to provide furnishings and equipment for new campus student lounges and administrative offices. Any interest earned on the capital fund is credited to the fund.

c. Leases

Leases which transfer substantially all of the benefits and risks of ownership are recorded as capital additions, as disclosed in Note 1(a) and incurrence of capital lease obligations. Under this method of accounting, capital additions are expensed in the year the lease is entered into and obligations are extinguished over the life of the lease.

Operating lease payments are expensed as incurred.

NOTE 2 CAPITAL LEASE OBLIGATIONS

The Association is liable for certain minimum lease commitments with respect to capital lease obligations as follows:

1995	\$	3,271
1996		<u>2,453</u>
Total		5,724
Less imputed interest - 20%		<u>725</u>
Present value of minimum lease payments		4,999
Less current portion		<u>2,635</u>
	\$	<u><u>2,364</u></u>

KWANTLEN COLLEGE STUDENT ASSOCIATION

Notes to the Financial Statements

April 30, 1994

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NOTE 3 COMMITMENT

The Association has entered into a employment agreement with its business manager with an annual payment of approximately \$41,000. The agreement expires August 1994.

NOTE 4 CONTINGENCY

The Association is involved in a legal dispute with the Canadian Federation of Students with respect to the calculation of student fees since 1988 and with respect to the withdrawal of the Association from the Canadian Federation of Students in 1991.

While the financial statements include a liability for prior years' fees of \$69,487, including none for 1994, the Association believes its obligation to the Canadian Federation of Students to be \$24,401. The outcome of this legal dispute and the amount of the settlement is not determinable at this time and accordingly no adjustments to the liability included in the financial statements has been made.