

FINANCIAL STATEMENTS

**STUDENTS UNION OF UBC
OKANAGAN**

May 31, 2025



INDEPENDENT AUDITORS' REPORT

To the Members of
Students Union of UBC Okanagan

Opinion

We have audited the financial statements of Students Union of UBC Okanagan (the Students Union), which comprise the statement of financial position as at May 31, 2025, and the statements of changes in operations and changes in fund balances and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Students Union as at May 31, 2025, 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.

Basis for Opinion

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 Students Union in accordance with the ethical requirements that are relevant to our audits 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 audit 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 Students 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 Students Union or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Students 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. As part of an audit in accordance with



INDEPENDENT AUDITORS' REPORT (CONT'D)

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 Students 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 Students 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 Students 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.

Report on Other Legal and Regulatory Requirements

As required by the British Columbia Societies Act, we report that, in our opinion, the accounting principles used in these financial statements, Canadian accounting standards for not-for-profit organizations, have been applied on a basis consistent with that of the preceding year.

Tompkins Wozny LLP

Vancouver, Canada
October 31, 2025

Chartered Professional Accountants



STATEMENT OF FINANCIAL POSITION

As at May 31

	General Fund \$	Capital Fund \$	Health and Dental Fund \$	Total	
				2025 \$	2024 \$
ASSETS					
Current					
Cash	1,364,834	—	—	1,364,834	1,290,474
Accounts receivable	8,466	—	—	8,466	6,583
Inventory [note 5]	28,933	—	—	28,933	41,253
Prepaid expenses	50,135	—	—	50,135	27,149
Total current assets	1,452,368	—	—	1,452,368	1,365,459
Investments	1,525,668	—	3,157,962	4,683,630	4,731,943
Capital assets [note 6]	—	2,292,660	—	2,292,660	2,384,953
	2,978,036	2,292,660	3,157,962	8,428,658	8,482,355
LIABILITIES					
Current					
Accounts payable and accruals [note 7]	349,595	—	—	349,595	332,606
Club and course union payables [note 8]	509,208	—	—	509,208	661,583
Other payables [note 9]	73,572	—	—	73,572	121,371
Current long-term debt [note 10]	—	135,474	—	135,474	128,108
Total current liabilities	932,375	135,474	—	1,067,849	1,243,668
Long-term debt [note 10]	—	1,405,281	—	1,405,281	1,540,755
	932,375	1,540,755	—	2,473,130	2,784,423
FUND BALANCES					
Invested in capital assets	—	751,905	—	751,905	716,090
Unrestricted	2,045,661	—	—	2,045,661	1,762,168
Internally restricted	—	—	3,157,962	3,157,962	3,219,674
	2,045,661	751,905	3,157,962	5,955,528	5,697,932
	2,978,036	2,292,660	3,157,962	8,428,658	8,482,355

Contractual obligations [note 11]

See accompanying notes to the financial statements

On behalf of the Board:



Rajat Arora (Nov 7, 2025 10:39:26 PST)

VP Finance



Jason Evans (Nov 7, 2025 08:53:43 PST)

General Manager

STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES

Year ended May 31

	General Fund \$	Capital Fund \$	Health and Dental Fund \$	Total	
				2025 \$	2024 \$
REVENUE					
Student fees - health and dental	—	—	3,155,494	3,155,494	3,063,221
- operating	1,899,377	—	—	1,899,377	1,867,399
Pub and food services [note 14]	516,392	—	—	516,392	421,179
Bookstore [note 13]	171,563	—	—	171,563	188,189
Lease income [note 12]	164,863	—	—	164,863	140,702
UPass administration fees	69,066	—	—	69,066	68,085
Interest	68,448	—	—	68,448	77,513
Sponsorship income	23,150	—	—	23,150	15,300
Media fees	9,465	—	—	9,465	(9,466)
Miscellaneous	1,043	—	—	1,043	950
Room bookings	928	—	—	928	2,935
Investment income	238,070	—	—	238,070	14,469
Increase in fair value of investments	213,616	—	—	213,616	455,186
	3,375,981	—	3,155,494	6,531,475	6,305,662
EXPENSES					
Health and Dental Plan premiums and other	—	—	3,217,206	3,217,206	2,731,851
Wages and employee benefits [note 4 & 19]	737,797	—	—	737,797	703,489
Pub and food services [note 14]	582,762	—	—	582,762	537,366
Campus life [note 18]	348,072	—	—	348,072	391,458
Student services [note 16]	321,886	—	—	321,886	296,321
Bookstore [note 13]	290,897	—	—	290,897	262,857
Directors expenses [notes 4 & 15]	231,701	—	—	231,701	218,461
Amortization	—	208,735	—	208,735	210,073
Interest on long-term debt	—	91,048	—	91,048	98,281
Advocacy [note 17]	66,489	—	—	66,489	64,205
Office expenses	54,150	—	—	54,150	46,099
Accounting and legal	42,657	—	—	42,657	41,383
Insurance and memberships	40,542	—	—	40,542	44,669
Administration collections	15,195	—	—	15,195	14,934
Telephone and utilities	11,413	—	—	11,413	12,984
Advertising and promotion	5,711	—	—	5,711	2,089
Bank charges and interest	5,049	—	—	5,049	5,167
Repairs and maintenance	2,569	—	—	2,569	2,691
	2,756,890	299,783	3,217,206	6,273,879	5,684,378
Excess (deficiency) of revenue over expenses	619,091	(299,783)	(61,712)	257,596	621,284
Fund balances, beginning of year	1,762,168	716,090	3,219,674	5,697,932	5,076,648
Interfund transfer - purchase of capital assets	(116,442)	116,442	—	—	—
Interfund transfer - repayment of debt	(219,156)	219,156	—	—	—
Fund balances, end of year	2,045,661	751,905	3,157,962	5,955,528	5,697,932

See accompanying notes to the financial statements

STATEMENT OF CASH FLOWS

Year ended May 31

	2025 \$	2024 \$
OPERATING ACTIVITIES		
Excess of revenue over expenses	257,596	621,284
Amortization of capital assets	208,735	210,073
	466,331	831,357
Changes in non-cash working capital items		
Accounts receivable	(1,883)	2,508
Inventory	12,320	10,970
Prepaid expenses	(22,986)	22,083
Accounts payable and accrued liabilities	16,989	(837,638)
Other liabilities	(200,174)	43,997
Cash provided by operating activities	270,597	73,277
FINANCING ACTIVITIES		
Repayment of long-term debt	(128,108)	(121,142)
Cash used in financing activities	(128,108)	(121,142)
INVESTING ACTIVITIES		
Net sale (purchase) of investments	48,313	(139,655)
Purchase of capital assets	(116,442)	(62,569)
Cash used in investing activities	(68,129)	(202,224)
Increase (decrease) in cash for the year	74,360	(250,089)
Cash, beginning of year	1,290,474	1,540,563
Cash, end of year	1,364,834	1,290,474

See accompanying notes to the financial statements

NOTES TO FINANCIAL STATEMENTS

May 31, 2025

1. PURPOSE OF THE ORGANIZATION

The purpose of the Students Union of UBC Okanagan is to co-ordinate, direct and promote the activities of the students of the UBC Okanagan campus. The Students Union is registered under the B.C. Society Act as a not-for-profit organization and is exempt from income taxes under the Income Tax Act of Canada.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Presentation

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO) that are applicable to a students union that will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations (a “going concern”).

b) Financial Instruments Policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

c) Revenue Recognition

The Students Union receives monies from a number of different sources and classifies these monies into different categories of revenue. The Students Union uses the deferral method of accounting for contributions. Revenues received without restrictions are reported as revenue at the time the services are substantially provided or the product is delivered.

d) Fund Accounting

The Students Union follows fund accounting. The major funds are described below:

Operating Fund

The Operating Fund reports the assets, liabilities, revenues and expenses related to the Students Union's support services and administrative activities.

Capital Asset Fund

The Capital Asset Fund reports the assets, liabilities, revenues and expenses related to the Student Union's capital assets.

NOTES TO FINANCIAL STATEMENTS

May 31, 2025

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Health & Dental Fund

The Health & Dental Fund was established to provide health and dental plans for students at the University. The Health and Dental plans are administered by StudentCare, which calculates premiums owing. Premiums are paid monthly and are adjusted periodically to account for actual claims experienced. The fund internally restricts excess revenue for future expenditures on health, dental and wellness initiatives.

e) Valuation of Inventories

Inventory has been valued at the lower of cost (determined principally on the first-in, first-out and specific item basis) or net realizable value. Supplies are recorded at cost.

f) Investments

Investments are carried at fair value. The investments consist marketable securities invested in a diversified portfolio with a fair market value of \$4,683,630 [2024 - \$4,731,943]. The cost of these marketable securities is \$4,249,378 [2024 - \$4,511,307].

Investment income is recognized as revenue in accordance with the terms of the underlying investment, which in the case of interest, is generally the passage of time. Dividends are recorded as revenue when received and gains and losses are recorded when investments are sold. The change in the fair value of investments is recorded as income or loss, whichever applicable.

g) Amortization of Tangible Capital Assets

Amortization of tangible capital assets has been recorded using the declining balance method (except as noted) at the following annual rates prorated for the number of months of ownership:

▪ JPM Student Center	30 years Straight Line
▪ Office equipment	20%
▪ Radio station equipment	20%
▪ Recreation equipment	20%
▪ Computer equipment	20%
▪ Newspaper equipment	20%
▪ Bookstore equipment	20%
▪ Pub and food service equipment	20%
▪ Theatre equipment	20%
▪ Student Union Productions equipment	20%
▪ Coffee House equipment	20%
▪ Signage	20%
▪ Website	20%

NOTES TO FINANCIAL STATEMENTS

May 31, 2025

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

h) Use of Estimates

The preparation of financial statements in conformity with Canadian ASNPO 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 date of the financial statements and the reported amounts of revenues and expenditures during the year. Significant areas requiring the use of management estimates relate to the determination of net recoverable value of assets, in particular as it relates to useful lives of tangible capital assets. Actual results could differ from the estimates.

3. FINANCIAL INSTRUMENTS

The Students Union of UBC Okanagan is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Students Union of UBC Okanagan's risk exposure and concentration as of May 31, 2025.

Credit Risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Students Union of UBC Okanagan is exposed to limited credit risk from customers due to the limited amount of revenue collected on account. Most daily sales are cash sales and all Membership fees are collected by UBC and remitted to the Students Union of UBC Okanagan.

Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. Students Union of UBC Okanagan has low liquidity risk as their cash and cash equivalents are easily converted to cash in order to meet its financial liabilities.

Interest Rate Risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the Students Union of UBC Okanagan manages exposure through its normal operating and financing activities. The Students Union of UBC Okanagan is exposed to interest rate risk primarily through its cash equivalents. The long term debt is at a fixed rate of interest so the interest rate risk is minimal for this financial instrument.

Unless otherwise noted, it is management's opinion that the Students Union of UBC Okanagan is not exposed to significant other risks arising from these financial instruments.

NOTES TO FINANCIAL STATEMENTS

May 31, 2025

4. REMUNERATION

In accordance with the BC Societies Act, a society must include a note setting out remuneration paid to its directors and its highest paid (\$75,000 plus) employees/contractors. Below is a list of the directors, and their respective remuneration, that meet the qualifications of section 36 of the BC Societies Act.

	2025 \$	2024 \$
President <i>[note 15]</i>	29,856	29,002
Vice-President Finance and Operations <i>[note 15]</i>	29,856	29,002
Vice-President External <i>[note 15]</i>	29,856	29,002
Vice-President Internal <i>[note 15]</i>	29,856	29,002
Vice-President Services <i>[note 15]</i>	29,856	29,002
Directors at Large	28,286	24,121

Wages and employee benefits expenses include \$789,739 [2024 - \$593,714] paid to eight [2024 - seven] employees during the year.

5. INVENTORY

	2025 \$	2024 \$
Bookstore	20,777	30,448
Pub and Food Services	8,156	10,805
	28,933	41,253

NOTES TO FINANCIAL STATEMENTS

May 31, 2025

6. CAPITAL ASSETS

	2025		2024	
	Cost	Accumulated	Net Book	Net Book
	\$	Amortization	Value	Value
	\$	\$	\$	\$
JPM Student Center - leasehold	3,950,602	2,012,164	1,938,438	2,041,609
Office equipment	134,453	104,044	30,409	38,012
Radio station equipment	6,048	5,137	911	1,138
Recreation equipment	66,329	50,596	15,733	19,666
Computer equipment	257,254	194,890	62,364	56,625
Newspaper equipment	23,265	21,859	1,406	1,758
Bookstore equipment	106,573	66,237	40,336	46,986
Pub and food services equipment	499,329	392,933	106,396	112,948
Theatre equipment	110,483	61,894	48,589	6,113
Student Union Productions equipment	21,213	18,189	3,024	3,781
Coffee house equipment	74,744	69,017	5,727	7,159
Signage	75,369	61,958	13,411	16,763
Website	55,836	29,920	25,916	32,395
	5,381,498	3,088,838	2,292,660	2,384,953

7. ACCOUNTS PAYABLE AND ACCRUALS

	2025	2024
	\$	\$
Trade accounts payable	226,273	169,574
Government remittances - GST	5,847	3,572
- WorkSafeBC	695	415
- payroll liabilities	—	24,418
Wages payable	57,717	70,654
Accrued interest payable [note 10]	59,063	63,973
	349,595	332,606

8. CLUB AND COURSE UNION PAYABLES

	2025	2024
	\$	\$
Balance, beginning of year	661,583	633,282
Add: Receipts	807,561	798,527
Less: Payouts	(959,936)	(770,226)
Balance, end of year	509,208	661,583

NOTES TO FINANCIAL STATEMENTS

May 31, 2025

9. OTHER PAYABLES

	2025	2024
	\$	\$
Resource Centres	8,992	43,942
Media Fund	—	—
Phoenix Newspaper	23,657	36,506
WUSC Student Refugee Program	40,923	40,923
	73,572	121,371

10. LONG-TERM DEBT

	2025	2024
	\$	\$
UBCO - Building Costs Loan		
Payable in blended annual instalments of \$224,067 including interest at 5.75%, concluding September 30, 2033. Required payments will be taken at source by UBCO based on the collection of assessed Student Fees and the corresponding calculated disbursement/reconciliation in September/October and March of each fiscal year. The loan is unsecured.	1,540,755	1,668,863
	1,540,755	1,668,863
Less: current portion due within one year	(135,474)	(128,108)
	1,405,281	1,540,755

The required principal repayable on the long-term debt over the next five years will be as follows:

	\$
2026	135,474
2027	143,264
2028	151,501
2029	160,212
2030	169,425

NOTES TO FINANCIAL STATEMENTS

May 31, 2025

11. CONTRACTUAL OBLIGATIONS

The Student Union has entered into a 30 year lease agreement for premises in the J. Peter Meekison Student Center commencing on the Commencement Date, August 14, 2009. Rent in the amount of \$10 per annum is payable on the Commencement Date, and each anniversary of the Commencement Date thereafter. Payment of Additional Rent shall be paid on a quarterly basis as accounts are rendered by the University or its agent from time to time, and in any event within 30 calendar days of the date of such account. Additional Rent includes the Student Union's proportionate share of the operating costs, goods and services or value added taxes, and occupancy costs (Electricity, custodial services, maintenance, gas, garbage, sewage, water, other utilities and operating costs). On August 5, 2014 the University and Student Union mutually agreed to amend the lease to increase the demised premises and alter the approved commercial activities and increase the maximum commercial space. To compensate the University for this amendment the Student Union agreed to pay an annual amount of \$1,980 as additional rent plus applicable GST during the term of the lease.

12. LEASE INCOME

	2025	2024
	\$	\$
Third party lease revenue	164,863	140,702

13. BOOKSTORE

	2025	2024
	\$	\$
Revenue		
Bus passes	9,733	14,941
Merchandise and new books	57,316	69,388
Used books	37,193	43,278
Miscellaneous	67,321	60,582
	171,563	188,189
Expenses		
Bus passes	9,347	14,851
Merchandise	47,397	48,373
New books	—	9,061
Used books	22,993	25,217
Supplies and maintenance	48,951	44,656
Credit card charges	5,750	5,826
Wages	156,459	114,873
	290,897	262,857
	(119,334)	(74,668)

NOTES TO FINANCIAL STATEMENTS

May 31, 2025

14. PUB AND FOOD SERVICES

	2025	2024
	\$	\$
Revenue		
Sales	451,194	390,792
Catering and special events	40,255	9,564
Pool tables	1,093	1,077
Entertainment & promotions	23,850	19,746
	516,392	421,179
Expenses		
Cost of goods sold	237,803	216,321
Advertising and	532	1,114
Audit - liquor	300	300
Bank charges	8,339	4,360
Cleaning supplies	776	165
Entertainment	1,635	336
Equipment and supplies	3,313	3,961
Insurance	6,000	6,000
Licenses	1,257	3,690
Maintenance and repairs	10,408	10,175
Miscellaneous	4,093	2,003
Telephone and cable	2,285	2,389
Uniforms	3,793	3,603
Utilities	14,631	15,866
Wages and benefits	287,597	267,083
	582,762	537,366
	(66,370)	(116,187)

15. DIRECTORS EXPENSES

	2025	2024
	\$	\$
Salary - President	29,856	29,002
Salary - VP Finance and Operations	29,856	29,002
Salary - VP External	29,856	29,002
Salary - VP Internal	29,856	29,002
Salary - VP Services	29,856	29,002
Honoraria	28,286	24,121
Campus relations & engagement	11,172	7,180
GM operations	9,807	9,550
Conferences & travel	16,771	14,108
Training	16,385	18,492
	231,701	218,461

NOTES TO FINANCIAL STATEMENTS

May 31, 2025

16. STUDENT SERVICES

	2025	2024
	\$	\$
Elections/referenda	17,005	11,894
Pantry and food security	159,845	120,303
Promotional material	11,324	17,878
Ombudsperson	36,800	30,000
Student aid and endowments	57,500	79,500
Student tax service	7,799	4,128
Website maintenance	31,613	32,618
	321,886	296,321

17. ADVOCACY

	2025	2024
	\$	\$
Advocacy campaigns	43,613	30,958
Annual/special general meetings	5,259	1,794
Mental health initiatives	1,389	8,219
Resource Center Coordinator	—	4,383
Resource Center grants	10,000	—
Resource development	3,347	13,316
Sustainability initiatives	2,881	5,535
	66,489	64,205

18. CAMPUS LIFE

	2025	2024
	\$	\$
Club development	44,654	26,059
Educational speaker events	5,370	5,058
Event support	90	—
Events development	35,060	47,853
Graduate student fund	23,230	27,195
Orientation Week - Frosh	44,588	78,797
Recess	42,684	21,190
Student Association grants	152,396	185,306
	348,072	391,458

NOTES TO FINANCIAL STATEMENTS

May 31, 2025

19. SUMMARY OF TOTAL WAGES AND BENEFITS

	2025	2024
	\$	\$
Operations	737,797	703,489
Bookstore	156,459	114,873
Pub and food services	287,597	267,083
President	29,856	29,002
Vice-President Finance and Operations	29,856	29,002
Vice-President External	29,856	29,002
Vice-President Internal	29,856	29,002
Vice-President Services	29,856	29,002
	1,331,133	1,230,455

20. COMPARATIVE FIGURES

Certain 2024 comparative figures have been reclassified to conform to the current year presentation.