

UNIVERSITY OF VICTORIA GRADUATE STUDENTS' SOCIETY
Financial Statements
Year Ended March 31, 2025

UNIVERSITY OF VICTORIA GRADUATE STUDENTS' SOCIETY
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Year Ended March 31, 2025

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INDEPENDENT AUDITOR'S REPORT

To the Members of University of Victoria Graduate Students' Society

Report on the Financial Statements

Opinion

We have audited the financial statements of University of Victoria Graduate Students' Society (the "Society"), which comprise the statement of financial position as at March 31, 2025, and the statements of changes in net assets, revenues and expenses 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 Society as at March 31, 2025, and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

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 Society in accordance with 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 ASNPO, 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 Society'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 Society or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Society'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 Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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* Denotes professional corporation

Independent Auditor's Report to the Members of University of Victoria Graduate Students' Society
(continued)

- 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 Society'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 Society'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 Society 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 Societies Act of British Columbia, we report that, in our opinion, the accounting principles in Canadian accounting standards for not-for-profit organizations have been applied on a basis consistent with that of the preceding year.

Victoria, B.C.
October 10, 2025

Clark Trowsdale LLP

Chartered Professional Accountants

UNIVERSITY OF VICTORIA GRADUATE STUDENTS' SOCIETY
Statement of Financial Position
March 31, 2025

	2025	2024
ASSETS		
CURRENT		
Cash	\$ 1,320,647	\$ 1,304,289
Accounts receivable	18,375	22,037
Prepaid expenses	172,627	136,001
Inventory	14,979	15,855
	1,526,628	1,478,182
CAPITAL ASSETS (Note 4)	567,506	631,908
	\$ 2,094,134	\$ 2,110,090
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 196,012	\$ 196,717
Goods and services tax payable	3,332	4,623
Deferred revenue (Note 5)	626,924	637,627
Deferred capital contributions (Note 6)	31,250	33,750
Current portion of long term debt (Note 7)	-	34,650
	857,518	907,367
NET ASSETS	1,236,616	1,202,723
	\$ 2,094,134	\$ 2,110,090

On behalf of the Board

Director

Director

UNIVERSITY OF VICTORIA GRADUATE STUDENTS' SOCIETY
Statement of Changes in Net Assets
Year Ended March 31, 2025

	2024 Balance	Excess (Deficiency) of revenues over expenses	Interfund transfers	2025 Balance
Unrestricted	\$ 277,475	\$ (8,603)	\$ (2,500)	\$ 266,372
Internally Restricted (<i>Note 13</i>)	925,248	42,496	2,500	970,244
	\$ 1,202,723	\$ 33,893	\$ -	\$ 1,236,616

	2023 Balance	Excess (Deficiency) of revenues over expenses	Interfund transfers	2024 Balance
Unrestricted	\$ 351,117	\$ (72,142)	\$ (1,500)	\$ 277,475
Internally Restricted	894,158	29,590	1,500	925,248
	\$ 1,245,275	\$ (42,552)	\$ -	\$ 1,202,723

UNIVERSITY OF VICTORIA GRADUATE STUDENTS' SOCIETY
Statement of Revenues and Expenses
Year Ended March 31, 2025

	2025	2024
REVENUES		
Health and Dental Premiums	\$ 1,480,913	\$ 1,486,335
Membership fees <i>(Note 12)</i>	669,875	625,727
Restaurant gross profit <i>(Note 8)</i>	260,129	199,020
Other income	4,972	8,452
Handbook	3,650	2,800
Interest income	82	67
	<u>2,419,621</u>	<u>2,322,401</u>
EXPENSES		
Health and dental premiums	1,364,031	1,370,479
Wages and benefits	658,568	662,883
Utilities, repairs and maintenance	70,091	56,991
Amortization	69,081	69,496
Board stipends <i>(Note 10)</i>	64,975	59,166
Office and administration	53,374	44,667
Meetings and events	27,533	23,298
Professional fees	21,838	29,945
Insurance	13,805	12,406
Advertising and memberships	13,758	6,257
Grants	12,009	12,130
Equipment rental and maintenance	10,435	7,599
Handbook	4,473	4,680
Interest on long term debt	1,757	4,956
	<u>2,385,728</u>	<u>2,364,953</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	<u>\$ 33,893</u>	<u>\$ (42,552)</u>

UNIVERSITY OF VICTORIA GRADUATE STUDENTS' SOCIETY
Statement of Cash Flows
Year Ended March 31, 2025

	2025	2024
OPERATING ACTIVITIES		
Excess (deficiency) of revenues over expenses	\$ 33,893	\$ (42,552)
Item not affecting cash:		
Amortization of capital assets	69,081	69,496
	<u>102,974</u>	<u>26,944</u>
Changes in non-cash working capital:		
Accounts receivable	3,662	(5,456)
Prepaid expenses	(36,626)	34,885
Inventory	876	(827)
Accounts payable and accrued liabilities	(705)	22,593
Goods and services tax payable	(1,291)	2,649
Deferred revenue	(10,703)	5,612
Deferred capital contributions	(2,500)	(2,500)
	<u>(47,287)</u>	<u>56,956</u>
Cash flow from operating activities	<u>55,687</u>	<u>83,900</u>
INVESTING ACTIVITY		
Purchase of capital assets	<u>(4,679)</u>	<u>(18,585)</u>
FINANCING ACTIVITIES		
Advances from related parties	(2,662)	-
Repayment of long term debt	(34,650)	(31,085)
Cash flow used by financing activities	<u>(37,312)</u>	<u>(31,085)</u>
INCREASE IN CASH FLOW	13,696	34,230
Cash - beginning of year	<u>1,304,289</u>	<u>53,828</u>
CASH - END OF YEAR	<u>\$ 1,317,985</u>	<u>\$ 88,058</u>

See notes to financial statements

UNIVERSITY OF VICTORIA GRADUATE STUDENTS' SOCIETY
Notes to Financial Statements
Year Ended March 31, 2025

1. DESCRIPTION OF OPERATIONS

University of Victoria Graduate Students' Society (the "Society") is a non-profit organization and its purpose is to promote the interests of graduate students at the University of Victoria. The Society operates and maintains premises on campus including a general office, food services and meeting and seminar rooms. The Society is exempt from income taxes.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO).

Cash

Cash consists of cash and current assets with high liquidity (i.e. assets convertible into cash within 90 days).

Inventory

Inventories are comprised of food and beverages for the restaurant operations and are valued at the lower of cost and net realizable value with the amount being determined using the most recent cost.

Capital assets

Capital assets are stated at cost or deemed cost less accumulated amortization. Capital assets are amortized over their estimated useful lives at the following rates and methods:

Furniture and equipment	5 years	straight-line method
Restaurant equipment	5 years	straight-line method
Computers	3 years	straight-line method
Leasehold improvements	10 years	straight-line method
Major renovations	20 years	straight-line method

Financial instruments

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.

Measurement uncertainty

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 amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

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UNIVERSITY OF VICTORIA GRADUATE STUDENTS' SOCIETY
Notes to Financial Statements
Year Ended March 31, 2025

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Revenue recognition

University of Victoria Graduate Students' Society follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Restricted contributions for the purchase of capital assets are recognized as revenue on the same basis as the amortization expense related to the capital assets. Unrestricted contributions are recognized as revenue on the accrual basis when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Interest income is recognized as revenue when earned.

Membership fees and Health and Dental Premiums are recognized as revenue when they have been received or are receivable for the school terms falling within the fiscal year of the Society.

Room rentals, other income and handbook revenues are recognized as revenue when earned.

Restaurant revenue is recorded upon providing of the service.

3. FINANCIAL RISKS AND CONCENTRATION OF RISKS

The Society 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 Society's risk exposure and concentration as of March 31, 2025.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations resulting in a financial loss. The Society is exposed to credit risk with respect to accounts receivable. The Society assesses, on continuous basis, accounts receivable and provides for any amounts that are not considered collectible in an allowance for doubtful accounts. The balance in the allowance for doubtful accounts as at March 31, 2025 is \$nil (2024 - \$nil).

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Society is exposed to this risk mainly in respect of its accounts payable, deferred contributions and long term debt.

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 Society manages exposure through its normal operating and financing activities. The Society is exposed to interest rate risk primarily through its floating interest rate long term debt.

Unless otherwise noted, it is management's opinion that the Society is not exposed to significant other price risks arising from these financial instruments.

UNIVERSITY OF VICTORIA GRADUATE STUDENTS' SOCIETY
Notes to Financial Statements
Year Ended March 31, 2025

4. CAPITAL ASSETS

	Cost	Accumulated amortization	2025 Net book value	2024 Net book value
Furniture and equipment	\$ 143,955	\$ 143,955	\$ -	\$ -
Restaurant equipment	272,442	255,154	17,288	16,794
Computers	36,509	36,509	-	-
Leasehold improvements	132,467	120,217	12,250	18,453
Major renovations	1,173,851	635,883	537,968	596,661
	\$ 1,759,224	\$ 1,191,718	\$ 567,506	\$ 631,908

5. DEFERRED REVENUE

Effective September 1, 1999, the Society commenced with a health and dental plan for which the University collects from students and pays premiums upon receiving an authorized for payment invoice from the Society. The insurance premiums are paid to Pacific Blue Cross on a monthly basis by the Society. The fees collected from students registering in September and January cover the fiscal year of the plan (September 1 - August 31). Since the fees are collected prior to the March 31 year end of the Society, and will be used to pay invoices to August 31, 2025, the unexpended balance has been recorded as deferred revenue. Any excess or shortfall at the completion of the term of coverage will then be transferred as revenue or expense to the Statement of Revenues and Expenses.

	2025	2024
Beginning balance	\$ 637,627	\$ 632,015
Amount recognized as revenue in year	(637,627)	(632,015)
Amount related to next year	626,924	637,627
Ending balance	\$ 626,924	\$ 637,627

6. DEFERRED CAPITAL CONTRIBUTIONS

Deferred capital contributions represents major renovations funded by the University of Victoria. The contributions are recognized as revenue as the major renovations are amortized. Changes in the deferred capital contribution balance for the year are as follows:

	2025	2024
Deferred capital contributions, beginning of the year	\$ 33,750	\$ 36,250
Less: amounts amortized to revenue	(2,500)	(2,500)
Deferred capital contributions, end of the year	\$ 31,250	\$ 33,750

UNIVERSITY OF VICTORIA GRADUATE STUDENTS' SOCIETY
Notes to Financial Statements
Year Ended March 31, 2025

7. LONG TERM DEBT

	2025	2024
84 month variable rate term loan with monthly payments bearing an interest rate of prime + 2.5%; ending March 19, 2025	\$ -	\$ 34,650
Amounts payable within one year	-	(34,650)
	\$ -	\$ -

8. RESTAURANT GROSS PROFIT

	2025	2024
Sales	\$ 484,199	\$ 367,651
Cost of goods sold	(224,070)	(168,631)
Gross Profit	\$ 260,129	\$ 199,020

9. PREMISES

The Graduate Students' Society offices and ancillary services reside in the George and Ida Halpern Centre for Graduate Students the construction of which was completed in 1991. The funding for the Centre was provided by George and Ida Halpern, the Graduate Students Society Building Fund, the Province of British Columbia and the University of Victoria.

The title to the building and the land on which it is situated is held by the University of Victoria. The Graduate Students' Society and the graduate students are the primary users of the building and therefore, the policies and regulations governing the use and operations of the building are developed and administered to reflect this intended purpose.

The responsibility for the operation and maintenance of the building is borne by the Society.

10. RELATED PARTY TRANSACTIONS

The directors of the Graduate Students' Society receive monthly payroll from the Society. For the March 31, 2025 year end this figure amounted to \$64,975 (2024 - \$59,166) for all the directors.

11. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.

UNIVERSITY OF VICTORIA GRADUATE STUDENTS' SOCIETY
Notes to Financial Statements
Year Ended March 31, 2025

12. MEMBERSHIP FEES

Membership fees are reported net of defined contributions to designated external agencies:

	2025	2024
Gross Membership Fees	\$ 840,660	\$ 791,650
-University of Victoria Students' Society (UVSS) Service Fees	(99,148)	(98,537)
-Travel Grants	(55,902)	(51,794)
-Childcare	(8,609)	(8,571)
-CFUV Radio Station (CFUV)	(3,624)	(3,570)
-University 101	(3,502)	(3,451)
	\$ 669,875	\$ 625,727
Operating Fund	\$ 500,658	\$ 457,193
Capital Fund	102,150	93,023
Grad House Restaurant Fund	58,456	67,051
Student Advocate Fund	8,611	8,460
	\$ 669,875	\$ 625,727

The Society collects membership fees from each graduate student each term, as follows:

	2025	2024
Operating	\$ 57.95	\$ 54.16
Capital	11.82	11.05
Childcare	1.02	1.02
Anti-Violence Project	2.00	2.00
Ombudsperson	1.50	1.50
Constituency Group	1.33	1.33
Clubs	0.50	0.50
WUSC	5.00	5.00
Campus Food Bank	2.11	1.97
CFUV	0.64	0.60
University 101	0.62	0.58
Conference Travel Fund	5.37	5.02
Distance Student Travel Fund	1.25	1.17
GSS Advocate Fund	1.00	1.00
Food and Beverage Fee	11.00	11.00
	\$ 103.11	\$ 97.90

UNIVERSITY OF VICTORIA GRADUATE STUDENTS' SOCIETY
Notes to Financial Statements
Year Ended March 31, 2025

MEMBERSHIP FEES - CONTINUED

Membership fees are recorded in the following funds:

	2025	2024
Operating Fund	\$ 57.95	\$ 54.16
Grad House Restaurant Fund	11.00	11.00
Capital Fund	11.82	11.05
Student Advocate Fund	1.00	1.00
	\$ 81.77	\$ 77.21

Capital and Operating fees are automatically adjusted for consumer price index annually. The increase for the 2025 year was 2.4% (2024 - 3.7%).

In addition to the membership fees described above, UVic collects and remits fees for graduate student bus passes ("U-Pass"). The fees are remitted to the University of Victoria Students' Society, who in turn, remit the fees to BC Transit. For the year ended March 31, 2025 the total amount was \$430,124 (2024 - \$422,221).

UNIVERSITY OF VICTORIA GRADUATE STUDENTS' SOCIETY

Notes to Financial Statements

Year Ended March 31, 2025

13. INTERNALLY RESTRICTED FUNDS

The Society established the following internally restricted funds:

Building Fund

The Building Fund was established to accumulate funds for future building/space expansion in light of increased graduate student enrolment.

Capital Fund

The Capital Fund was established to provide for the replacement of major capital items to maintain the building and its contents, such as roofing, painting, carpeting, walkways and other items.

Employee Leave and Emergency Hire Fund

The Employee Leave and Emergency Hire Fund was established to cover extraordinary employee benefits, such as maternity and sick leave or emergency hires.

Student Advocate Fund

The Student Advocate Fund was established to support the Society's members, including members currently on leave.

	Building Fund	Capital Fund	Employee Leave and Emergency Hire Fund	Student Advocate Fund	2025
Balance, beginning of year	\$ 6,538	\$ 869,315	\$ 11,000	\$ 38,395	\$ 925,248
Membership fees	-	102,150	-	8,611	110,761
Other income	-	2,500	-	-	2,500
Interest income	6	67	-	-	73
Amortization	-	(69,081)	-	-	(69,081)
Interest on long term debt	-	(1,757)	-	-	(1,757)
Interfund transfers	-	-	2,500	-	2,500
Balance, end of year	\$ 6,544	\$ 903,194	\$ 13,500	\$ 47,006	\$ 970,244