



Financial Statements of

**STUDENTS' UNION OF THE
UNIVERSITY OF REGINA INC.**

Year ended April 30, 2004

STUDENTS' UNION OF THE UNIVERSITY OF REGINA INC.

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AUDITORS' REPORT TO THE BOARD OF DIRECTORS

We have audited the statement of financial position of the Students' Union of the University of Regina Inc. as at April 30, 2004 and the statements of financial activities, changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian 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 Corporation as at April 30, 2004 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

KPMG LLP

Chartered Accountants

Regina, Canada
June 30, 2004

STUDENTS' UNION OF THE UNIVERSITY OF REGINA INC.

Statement of Financial Position

April 30, 2004, with comparative figures for 2003


	2004	2003
Assets		
Current assets:		
Cash	\$ 94,817	\$ 129,585
Accounts receivable	66,038	113,439
Inventories (note 2)	37,015	42,175
Investments (note 3)	1,034,924	840,665
Property, plant and equipment (note 4)	268,696	279,706
	\$ 1,501,490	\$ 1,405,570

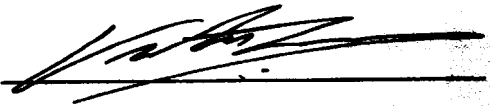
Liabilities and Net Assets

Current liabilities:		
Accounts payable and accrued liabilities	\$ 455,284	\$ 536,174
Deferred revenue	28,730	27,322
Current portion of long term debt (note 5)	4,000	4,000
	488,014	567,496
Long-term liabilities:		
Long term debt (note 5)	12,000	16,000
Net assets:		
Invested in property, plant and equipment	268,696	279,706
Internally restricted (note 7)	95,711	89,325
Unrestricted	637,069	453,043
	1,001,476	822,074
	\$ 1,501,490	\$ 1,405,570

See accompanying notes to financial statements.

On behalf of the Board:

 Director

 Director

STUDENTS' UNION OF THE UNIVERSITY OF REGINA INC.

Statement of Financial Activities

For the year ended April 30, 2004, with comparative figures for 2003

	Revenue		Expenses		Excess (Deficiency) of Revenue over Expenses	
	2004	2003	2004	2003	2004	2003
Academics	\$ -	\$ -	\$ 4,755	\$ 7,042	\$ (4,755)	\$ (7,042)
Administration	419,748	365,602	508,304	523,703	(88,556)	(158,101)
Advocate	-	-	43,654	42,974	(43,654)	(42,974)
Board of Directors	15,089	16,714	168,815	166,989	(153,726)	(150,275)
Electoral	-	-	3,485	9,916	(3,485)	(9,916)
Information services	25,230	27,802	90,925	72,667	(65,695)	(44,865)
Intramurals	89,465	89,603	85,189	85,162	4,276	4,441
Lazy Owl Pub	715,240	944,412	760,213	885,202	(44,973)	59,210
President's Advisory Council	-	-	24,950	20,000	(24,950)	(20,000)
Student Fees	2,189,940	879,352	1,700,194	465,388	489,746	413,964
Used Bookstore	257,698	235,961	229,791	210,172	27,906	25,789
	<u>\$ 3,712,410</u>	<u>\$ 2,559,446</u>	<u>\$ 3,620,275</u>	<u>\$ 2,489,215</u>		
Excess of revenue over expenses before the undernoted					92,135	70,231
Interest expense and investment income (losses)					87,267	(26,297)
					\$ 179,402	\$ 43,934

See accompanying notes to financial statements.

STUDENTS' UNION OF THE UNIVERSITY OF REGINA INC.

Statement of Changes in Net Assets

For the year ended April 30, 2004, with comparative figures for 2003

	Invested in property, plant and equipment	Internally Restricted	Unrestricted	2004 Total	2003 Total
Balance, beginning of year	\$ 279,706	\$ 89,325	\$ 453,043	\$ 822,074	\$ 778,140
Excess (deficiency) of revenue over expenses	(40,028)	6,386	213,044	179,402	43,934
Investment in property, plant and equipment	29,018		(29,018)		
Balance, end of year	\$ 268,696	\$ 95,711	\$ 637,069	\$ 1,001,476	\$ 822,074

See accompanying notes to financial statements.

STUDENTS' UNION OF THE UNIVERSITY OF REGINA

Statement of Cash Flows

Year ended April 30, 2004, with comparative figures for 2003

	2004	2003
Cash flows from (used in):		
Operations:		
Excess of revenue over expenses	\$ 179,402	\$ 43,934
Items not involving cash:		
Amortization	40,028	45,520
Change in non-cash operating working capital:		
Accounts receivable	47,401	347,793
Inventories	5,160	(14,381)
Accounts payable and accrued liabilities	(80,890)	(102,783)
Deferred revenue	1,408	(34,187)
	<u>192,509</u>	<u>285,896</u>
Financing:		
Principal payments on long-term debt	(4,000)	(126,667)
Proceeds from long-term debt	-	20,000
	<u>(4,000)</u>	<u>(106,667)</u>
Investing:		
Purchase of property, plant and equipment	(29,018)	(79,550)
Purchase of investments	(1,412,853)	(642,230)
Proceeds on maturity of investments	1,218,594	510,556
	<u>(223,277)</u>	<u>(211,224)</u>
Decrease in cash	(34,768)	(31,995)
Cash, beginning of year	129,585	161,580
Cash, end of year	<u>\$ 94,817</u>	<u>\$ 129,585</u>

STUDENTS' UNION OF THE UNIVERSITY OF REGINA INC.

Notes to Financial Statements

April 30, 2004

The Students' Union of The University of Regina Inc. ("The Students' Union") is incorporated under *The Non-Profit Corporations Act* of Saskatchewan, and its principal activities include providing facilities and services to university students at the University of Regina.

1. Summary of significant accounting policies:

(a) Inventories:

Inventories are valued at the lower of cost and net realizable value with cost being determined on the first-in, first-out basis.

(b) Deferred revenue:

Deferred revenue consists of the unexpended portion of grants received for specific projects and revenue received for services not yet performed.

(c) Property, plant and equipment:

Property, plant and equipment is amortized over their estimated useful lives on a straight line basis using the following rates:

Buildings	40 years
Leasehold improvements	5 years
Equipment	3 to 15 years

(d) Income taxes:

The Students' Union is incorporated under *The Non-Profit Corporations Act* of Saskatchewan. Under present legislation, no income taxes are payable on reported income of such organizations.

(e) Investments:

Investments are valued at cost, less any impairment in value which is considered other than temporary in nature.

(f) Use of estimates:

The preparation of financial statements in conformity with Canadian generally accepted accounting principles 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 revenue and expenses during the period. Actual results could differ from those estimates.

STUDENTS' UNION OF THE UNIVERSITY OF REGINA INC.

Notes to Financial Statements

April 30, 2004

2. Inventories:

	2004	2003
Paper and administration supplies	\$ 640	\$ 1,092
Food and beverage	36,375	41,083
	\$ 37,015	\$ 42,175

3. Investments:

Investments consist of Canadian and foreign mutual funds. The mutual fund investments have no fixed interest rates or maturity and the income earned is dependent upon the success of the fund managers. Market value is substantially the same as carrying value for these investments.

4. Property, plant and equipment:

	Cost	Accumulated Amortization	2004 Net Book Value	2003 Net Book Value
Buildings	\$ 136,084	\$ 21,830	\$ 114,254	\$ 117,656
Leasehold improvements	173,979	118,663	55,316	75,337
Equipment	160,315	61,189	99,126	86,713
	\$ 470,378	\$ 201,682	\$ 268,696	\$ 279,706

5. Long term debt:

	2004	2003
Non-interest bearing loan payable due September 2007, repayable in annual instalments of \$4,000.	\$ 16,000	\$ 20,000
Less current portion	4,000	4,000
	\$ 12,000	\$ 16,000

STUDENTS' UNION OF THE UNIVERSITY OF REGINA INC.

Notes to Financial Statements

April 30, 2004

6. Students' Union Building Fund:

Under an agreement with the University of Regina, a portion of the annual fees paid by students are retained and deposited to a Students' Union Building Fund which is administered by the University of Regina. The University may authorize capital expenditures after receiving appropriate authorizing resolutions from the Students' Union. Additionally, the Students' Union may approve expenditures from this fund up to thirty percent of the interest earned by the fund in the previous fiscal year. These expenditures do not require the consent of the University of Regina.

During the current year the Students' Union received funding in the amount of \$26,013 (2003 - \$75,300) from this fund. This funding was used to make capital and other expenditures in the amount of \$14,013 (2003 - \$63,300), and disbursements for on-campus day care programs in the amount of \$12,000 (2003 - \$12,000).

The balance of the Building Fund at April 30, 2004 was \$79,719 (2003 - \$19,533).

7. Internally restricted net assets:

The University of Regina receives funds to be held in trust by the Students' Union for special purposes. In the past, the funds were designated to be used for an emergency bursary fund.

In the prior year, a legal defense fund was established and received funding out of student fees. The purpose of the legal defense fund was to assist students with unexpected and unavoidable legal matters. During the current year, this legal defense fund was wound up and its remaining balance was transferred to the emergency bursary fund.

Transactions with the emergency bursary fund were as follows.

	2004	2003
Balance, beginning of year	\$ 83,683	\$ 96,375
Transfers	5,642	3,363
Disbursements	(5,904)	(6,547)
Increase (loss) on investments	12,290	(9,508)
Balance, end of year	\$ 95,711	\$ 83,683

STUDENTS' UNION OF THE UNIVERSITY OF REGINA INC.

Notes to Financial Statements

April 30, 2004

7. Internally restricted net assets (continued).

Transactions with the legal defense fund were as follows:

	2004	2003
Balance, beginning of year	\$ 5,642	\$ -
Student fees	-	9,005
Transfer	(5,642)	(3,363)
Balance, end of year	\$ -	\$ 5,642

8. Fair value of financial assets and financial liabilities:

The fair value of the Students' Union's cash, accounts receivable, investments and accounts payable and accrued liabilities approximate their carrying amounts. The fair value of the long-term debt has not been provided as it is not practicable to determine its fair value with sufficient reliability.

9. Comparative figures:

Certain comparative figures have been reclassified to conform with the financial statement presentation adopted in the current year.