



Financial Statements of

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

Year ended April 30, 1997

STUDENTS' UNION OF THE UNIVERSITY OF REGINA INC.

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AUDITORS' REPORT TO THE STUDENTS

We have audited the balance sheet of the Students' Union of the University of Regina Inc. as at April 30, 1997 and the statement of income and students' equity 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 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, 1997 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles.

KPMG

Chartered Accountants

Regina, Canada
September 3, 1997



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STUDENTS' UNION OF THE UNIVERSITY OF REGINA INC.

Balance Sheet

April 30, 1997, with comparative figures for 1996

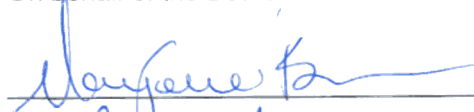
	1997	1996
Assets		
Current assets:		
Cash and term deposits	\$ 458,160	475,773
Accounts receivable	40,779	26,331
Inventories (note 2)	21,888	16,279
Prepaid expenses	313	1,044
	<u>521,140</u>	<u>519,427</u>
Leasehold improvements (note 3)	6,437	
	<u>\$ 527,577</u>	<u>519,427</u>


Liabilities and Students' Equity

Current liabilities:		
Accounts payable and accrued liabilities	\$ 112,475	201,697
Deferred revenue	96,067	29,158
	<u>319,035</u>	<u>288,572</u>
Students' equity	319,035	288,572
	<u>\$ 527,577</u>	<u>519,427</u>

See accompanying notes to financial statements.

On behalf of the Board:

 Director

 Director

STUDENTS' UNION OF THE UNIVERSITY OF REGINA INC.

Statement of Income and Students' Equity

For the year ended April 30, 1997, with comparative figures for 1996

	Revenue		Expense		Net Income (Expense)	
	1997	1996	1997	1996	1997	1996
Academics	\$ -	-	17,785	10,948	(17,785)	(10,948)
Administration	191,430	175,744	306,932	277,319	(115,502)	(101,575)
Advocate	-	-	50,047	38,018	(50,047)	(38,018)
Central Advertising	56,281	33,243	114,039	81,449	(58,028)	(48,206)
Carillon	60,134	23,089	58,424	60,648	1,710	(37,559)
Copiers	15,289	14,527	12,756	9,091	2,533	5,436
Desktop Publishing	1,826	2,498	2,161	2,293	(335)	205
Intramurals	54,871	57,551	55,052	56,154	(181)	1,397
Lazy Owl Pub	642,533	446,260	582,263	382,123	60,270	64,137
Publications	10,506	11,217	14,884	12,506	(4,378)	(1,289)
Radio	-	-	7,860	8,211	(7,860)	(8,211)
Student Council	5,403	3,746	148,708	85,323	(143,305)	(81,577)
Student Fees	730,625	547,636	369,513	226,707	361,112	320,929
Used Bookstore	82,703	117,307	74,485	104,011	8,218	13,296
Women's Centre	1,370	1,394	29,882	30,010	(28,512)	(28,616)
	\$ 1,852,971	1,434,212	1,845,061	1,384,811		
Income from operations					7,910	49,401
Interest income					22,553	28,587
Net income					30,463	77,988
Students' equity, beginning of year					288,572	210,584
Students' equity, end of year					\$ 319,035	288,572

See accompanying notes to financial statements.

STUDENTS' UNION OF THE UNIVERSITY OF REGINA INC.

Notes to Financial Statements

April 30, 1997

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) Capital Assets.

Capital assets, with the exception of leasehold improvements, are expensed in the year acquired. Leasehold improvements are amortized over 5 years on a straight line basis.

(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) Measurement uncertainty.

The preparation of financial statements in conformity with 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, 1997

2. Inventories:

		1997	1996
Paper and administration supplies	\$	2,175	3,306
Food and beverage		19,713	12,973
	\$	21,888	16,279

3. Leasehold improvements:

Leasehold improvements totaling \$6,437 were made in the current year. No amortization has been taken in the current year as the assets will not be utilized until the following year.

4. 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 one-third 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 a new Students' Centre building was constructed for which expenditures of \$4,762,589 were made out of this Students' Union Building Fund. In addition during the current year the Students' Union made capital and other expenditures out of this fund in the amount of \$87,803 (1996 - \$97,861).

The balance of the Building Fund at April 30 was \$225,200 (1996 - \$4,804,727).

STUDENTS' UNION OF THE UNIVERSITY OF REGINA INC.

Notes to Financial Statements

April 30, 1997

5. Radio fees fund:

The University of Regina receives funds to be held in trust by the Students' Union for a group to start a campus radio station. Until a group comes forward to start a station the Students' Union will continue to hold the funds.

During the year, funds transferred to the Students' Union for the purpose of radio fees amounted to \$31,060 (1996 - \$51,330). The balance of the radio fees fund at April 30 was \$82,390 (1996 - \$51,330) and is included in deferred revenue.

6. Statement of changes in financial position:

A statement of changes in financial position has not been prepared as it would not provide additional meaningful information.

7. Fair value of financial assets and financial liabilities:

For the following financial assets and financial liabilities, the carrying value approximates fair value due to their immediate or short-term nature:

- a) cash and term deposits
- b) accounts receivable
- c) accounts payable and accrued liabilities
- d) deferred revenue