

Financial Statements of

**THE ALMA MATER SOCIETY  
OF QUEEN'S UNIVERSITY  
INCORPORATED**

Years ended April 30, 2013 and 2012

# THE ALMA MATER SOCIETY OF QUEEN'S UNIVERSITY INCORPORATED

Financial Statements

Years ended April 30, 2013 and 2012

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## INDEPENDENT AUDITORS' REPORT

To the Members of the Alma Mater Society of Queen's University Incorporated

We have audited the accompanying financial statements of Alma Mater Society of Queen's University Incorporated, which comprise the statements of financial position as at April 30, 2013, April 30, 2012 and May 1, 2011, the statements of operations, changes in net assets and cash flows for the years ended April 30, 2013 and April 30, 2012, and notes, comprising a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these 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.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.



*Opinion*

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Alma Mater Society of Queen's University Incorporated as at April 30, 2013, April 30, 2012 and May 1, 2011, and its results of operations, changes in net assets and its cash flows for the years ended April 30, 2013 and April 30, 2012 in accordance with Canadian accounting standards for not-for-profit organizations.

*KPMG LLP*

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Chartered Accountants, Licensed Public Accountants

November 7, 2013

Kingston, Canada

# THE ALMA MATER SOCIETY OF QUEEN'S UNIVERSITY INCORPORATED

## Statements of Financial Position

April 30, 2013, April 30, 2012 and May 1, 2011

	April 30, 2013	April 30, 2012	May 1, 2011
<b>Assets</b>			
Current assets:			
Cash	\$ 356,583	\$ 421,744	\$ –
Marketable securities (note 2)	5,147,826	5,079,351	7,220,648
Accrued interest	27,459	21,331	28,576
Accounts receivable	874,420	498,836	1,226,994
Inventories	182,279	155,900	168,925
Prepaid expenses	23,471	26,478	26,452
	<u>6,612,038</u>	<u>6,203,640</u>	<u>8,671,595</u>
Capital assets (note 3)	301,681	383,964	286,225
Other assets:			
Student loans program (note 4)	41,950	41,710	41,470
	<u>\$ 6,955,669</u>	<u>\$ 6,629,314</u>	<u>\$ 8,999,290</u>
<b>Liabilities and Net Assets</b>			
Current liabilities:			
Bank indebtedness	\$ –	\$ –	\$ 120,827
Accounts payable and accrued liabilities (note 5)	2,027,200	2,133,876	2,105,178
Funds held for Queen's Bands	90,541	21,510	68,930
Funds held for Union Gallery	23,668	15,527	14,232
Funds held for CFRC Radio Club	–	581	620
	<u>2,141,409</u>	<u>2,171,494</u>	<u>2,309,787</u>
Net assets:			
Net assets invested in capital assets (note 6)	301,681	383,964	286,225
Other reserves – internally restricted (note 1(a))	250,000	250,000	250,000
Internally restricted funds (note 7)	2,313,870	1,933,820	5,093,560
Externally restricted funds (note 7)	583,415	653,144	–
Operating fund – unrestricted	1,365,294	1,236,892	1,059,718
	<u>4,814,260</u>	<u>4,457,820</u>	<u>6,689,503</u>
Commitments (note 8)			
	<u>\$ 6,955,669</u>	<u>\$ 6,629,314</u>	<u>\$ 8,999,290</u>

See accompanying notes to financial statements.

On behalf of the Board:

\_\_\_\_\_ Board of Directors Chair

\_\_\_\_\_ President

# THE ALMA MATER SOCIETY OF QUEEN'S UNIVERSITY INCORPORATED

## Statements of Operations

Years ended April 30, 2013 and 2012

	2013			2012		
	Operating fund	Restricted funds	Total	Operating fund	Restricted funds	Total
<b>Revenue:</b>						
Services revenue (Schedule A)	\$ 6,143,546	\$ –	\$ 6,143,546	\$ 6,070,589	\$ –	\$ 6,070,589
Other corporate revenue (Schedule B)	2,501,037	–	2,501,037	2,381,939	–	2,381,939
Government revenue (Schedule C)	932,944	–	932,944	930,864	–	930,864
Restricted fund revenue (Schedule D)	–	3,891,639	3,891,639	–	5,669,249	5,669,249
	9,577,527	3,891,639	13,469,166	9,383,392	5,669,249	15,052,641
<b>Operating expenses:</b>						
Services expenses (Schedule A)	5,797,187	–	5,797,187	5,686,358	–	5,686,358
Other corporate expenses (Schedule B)	2,610,305	–	2,610,305	2,526,650	–	2,526,650
Government expenses (Schedule C)	944,973	–	944,973	881,139	–	881,139
Restricted fund expenses (Schedule D)	–	3,760,261	3,760,261	–	8,190,177	8,190,177
	9,352,465	3,760,261	13,112,726	9,094,147	8,190,177	17,284,324
Excess of revenue over expenses (expenses over revenues)	225,062	131,378	356,440	289,245	(2,520,928)	(2,231,683)
Interfund transfers – general (Schedules A, B, C and D)	(178,943)	178,943	–	(14,332)	14,332	–
Excess of revenue over expenses (expenses over revenue), net of interfund transfers – general	\$ 46,119	\$ 310,321	\$ 356,440	\$ 274,913	\$ (2,506,596)	\$ (2,231,683)

This schedule includes \$830,105 revenue generated from and expenses incurred internally between Alma Mater Society departments (2012 - \$848,468).

See accompanying notes to financial statements.

# THE ALMA MATER SOCIETY OF QUEEN'S UNIVERSITY INCORPORATED

## Statements of Changes in Net Assets

Years ended April 30, 2013 and 2012

April 30, 2013	Net assets invested in capital assets	Other reserves	Internally restricted funds	Externally restricted funds	Operating fund	Total
Balances, beginning of year	\$ 383,964	\$ 250,000	\$ 1,933,820	\$ 653,144	\$ 1,236,892	\$ 4,457,820
Excess of revenue over expenses (expenses over revenue) net of interfund transfers	(178,436)	–	380,050	(69,729)	224,555	356,440
Net change in investment in capital assets (note 6)	96,153	–	–	–	(96,153)	–
<b>Balances, end of year</b>	<b>\$ 301,681</b>	<b>\$ 250,000</b>	<b>\$ 2,313,870</b>	<b>\$ 583,415</b>	<b>\$ 1,365,294</b>	<b>\$ 4,814,260</b>

April 30, 2012	Net assets invested in capital assets	Other reserves	Internally restricted funds	Externally restricted funds	Operating fund	Total
Balances, beginning of year	\$ 286,225	\$ 250,000	\$ 5,093,560	\$ –	1,059,718	\$ 6,689,503
Excess of revenue over expenses (expenses over revenue) net of interfund transfers	(174,749)	–	(3,159,740)	653,144	449,662	(2,231,683)
Net change in investment in capital assets (note 6)	272,488	–	–	–	(272,488)	–
<b>Balances, end of year</b>	<b>\$ 383,964</b>	<b>\$ 250,000</b>	<b>\$ 1,933,820</b>	<b>\$ 653,144</b>	<b>\$ 1,236,892</b>	<b>\$ 4,457,820</b>

See accompanying notes to financial statements.

# THE ALMA MATER SOCIETY OF QUEEN'S UNIVERSITY INCORPORATED

## Statements of Cash Flows

Years ended April 30, 2013 and 2012

	2013	2012
Cash provided by (used in):		
Operating activities:		
Excess of revenue over expenses (expenses over revenue)	\$ 356,440	\$(2,231,683)
Amortization of capital assets, which does not involve cash	178,436	174,749
Change in non-cash operating working capital:		
Accrued interest	(6,128)	7,245
Accounts receivable	(375,584)	728,158
Inventories	(26,379)	13,025
Prepaid expenses	3,007	(26)
Accounts payable and accrued liabilities	(106,676)	28,698
Funds held for Queen's Bands	69,031	(47,420)
Funds held for Union Gallery	8,141	1,295
Funds held for CFRC Radio Club	(581)	(39)
	99,707	(1,325,998)
Investing activities:		
Decrease (increase) in short-term investments	(68,475)	2,141,297
Net additions to capital assets	(96,153)	(272,488)
Student loans program	(240)	(240)
	(164,868)	1,868,569
Increase (decrease) in cash	(65,161)	542,571
Cash (bank indebtedness), beginning of year	421,744	(120,827)
Cash, end of year	\$ 356,583	\$ 421,744

See accompanying notes to financial statements.



# THE ALMA MATER SOCIETY OF QUEEN'S UNIVERSITY INCORPORATED

Notes to Financial Statements

Years ended April 30, 2013 and 2012

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The Alma Mater Society ("Society") is the central student government of Queen's University which is incorporated under the laws of Ontario as a non-profit organization without share capital.

On May 1, 2012, the Society adopted Canadian accounting standards for not-for-profit organizations in Part III of the CICA Handbook. These are the first financial statements prepared in accordance with Not-For-Profit Standards.

In accordance with the transitional provisions in Canadian accounting standards for not-for-profit organizations, the Society has adopted the changes retrospectively, subject to certain exemptions allowed under these standards. The transition date is May 1, 2011 and all comparative information provided has been presented by applying Canadian accounting standards for not-for-profit organizations.

There were no adjustments to net assets as at May 1, 2011 or excess of revenue over expenses, net of interfund transfers - general for the year ended April 30, 2012 as a result of the transition Canadian accounting standards for not-for-profit organizations.

## 1. Significant accounting policies:

The financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the CICA Handbook.

### (a) Fund accounting:

The financial statements separately disclose the activities of the following funds maintained by the Society:

#### (i) Operating fund:

The operating fund accounts for the activities of the Society other than those designated as restricted funds.

#### (ii) Internally restricted funds:

The Society has established internally restricted funds for projects created outside normal operations including Accessibility Queen's, Advantage, Health and Dental Plans, AMS Student Centre and Queen's Centre funds:

##### *Accessibility Queen's fund:*

The Accessibility Queen's fund was created by referendum in 1988 to meet the needs of the disabled on campus. Accessibility Queen's, a committee under the Vice-President – University Affairs, was created to recommend the allocation of these. Revenue and expenses are recorded when incurred.

# THE ALMA MATER SOCIETY OF QUEEN'S UNIVERSITY INCORPORATED

Notes to Financial Statements (continued)

Years ended April 30, 2013 and 2012

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## 1. Significant accounting policies (continued):

(a) Fund accounting (continued):

(ii) Internally restricted funds (continued):

### *Advantage fund:*

The Advantage fund was created by the Board of Directors in November 1997. The fund is adjusted monthly by income, gains (losses) on disposal and adjustments to market value on investments held by the Society. Transfers from the Advantage fund to the operating fund are made monthly at a rate fixed by the Board of Directors. These transfers are recorded as an interfund transfer to operations.

### *Health and Dental Plans fund:*

The Health and Dental Plans fund was created by the Board of Directors in May 2001 to provide accountability and visibility of surpluses and deficits arising from the AMS Health and Dental Plans. The fund is adjusted annually by the income or deficit of the Plans. Revenue and expenses are recorded when incurred.

### *AMS Student Centre fund:*

The AMS Student Centre fund was created from the John Deutsch University Centre ("JDUC") fund and the wind-up of the Journal House fund to provide the Society with control over surpluses and deficits arising from the Society's facilities operations.

The fund receives an interfund transfer from the Society services which occupy space in these facilities and receives revenue from the AMS Student Centre Activity Fee. Fund expenses arise from the Society's space allocation cost share of the Student Life Centre and other facility costs relating to AMS occupied space.

Accumulated surpluses are to be used by the Society to fund student centre facility based projects and improvements. Expenses are recorded when incurred.

### *Queen's Centre fund:*

The Queen's Centre fund was established to hold student activity fees collected to support the capital costs of the new Queen's Centre. Under an agreement reached with Queen's University in 2012, a portion of the fund is withheld for future capital costs. In 2012, these funds were transferred to an externally restricted fund.

# THE ALMA MATER SOCIETY OF QUEEN'S UNIVERSITY INCORPORATED

Notes to Financial Statements (continued)

Years ended April 30, 2013 and 2012

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## 1. Significant accounting policies (continued):

### (a) Fund accounting (continued):

#### (iii) Other reserves - internally restricted:

In April 1998, the Board of Directors resolved to explicitly set the reserve for security of capital at \$250,000.

#### (iv) Externally restricted funds:

##### *Queen's Centre fund:*

The Queen's Centre fund was established to hold student activity fees collected to support the capital costs of the new Queen's Centre. In 2012, an agreement was reached with Queen's University which provided that a portion of the fund be withheld and invested for the revitalization of the JDUC. Revenue and expenses are recorded when incurred.

##### *Student Life Centre Facilities fund*

In May 2011, the Society entered into an agreement with Queen's University and The Society of Graduate and Professional Students which provides for a sharing of costs associated with certain facilities referred to as the Student Life Centre. This agreement gave the Society administrative and management control over the Student Life Centre facilities and the establishment of a capital and operating reserve in support of the Student Life Centre facility costs.

### (b) Capital assets:

Capital assets are recorded at cost. Repairs and maintenance costs are charged to expense. Betterments which extend the useful life of an asset are capitalized. When a capital asset no longer contributes to the Society's ability to provide services, its carrying amount is written down to its residual value.

Capital assets are amortized on a straight-line basis using the following useful lives:

Asset	Useful Life
Computer, furniture and equipment	3 to 10 years
Hoods and gowns	3 years
Leasehold improvements	5 years

### (c) Inventories:

Inventories are stated at the lower of cost on a first-in, first-out basis and net realizable value.

# THE ALMA MATER SOCIETY OF QUEEN'S UNIVERSITY INCORPORATED

Notes to Financial Statements (continued)

Years ended April 30, 2013 and 2012

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## 1. Significant accounting policies (continued):

### (d) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Society has elected to carry its entire marketable securities portfolio at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Society determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Society expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

### (e) Recognition of revenue and other contributions:

Student fees are recognized as revenue in the year received. Sales and service revenue is recognized at the point of sale or when the service has been provided, and the customer takes ownership and assumes risk of loss, collection of the relevant receivable is probable, persuasive evidence of an arrangement exists and the sale price is fixed or determinable.

### (f) Use of estimates:

The preparation of the financial statements 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 year. Actual results could differ from those estimates.

# THE ALMA MATER SOCIETY OF QUEEN'S UNIVERSITY INCORPORATED

Notes to Financial Statements (continued)

Years ended April 30, 2013 and 2012

## 2. Marketable securities:

Marketable securities are comprised of the following:

	April 30, 2013	April 30, 2012	May 1, 2011
Money market funds and GICs	\$ 1,780,007	\$ 1,915,888	\$ 4,054,765
Fixed income	1,515,996	1,470,358	1,222,756
Equity	1,851,823	1,693,105	1,943,127
	<u>\$ 5,147,826</u>	<u>\$ 5,079,351</u>	<u>\$ 7,220,648</u>

Marketable securities are exposed to currency and interest rate risk.

### (a) Currency risk:

The Society is exposed to financial risks as a result of exchange rate fluctuations and the volatility of these rates. The Society holds marketable securities denominated in foreign currency. The Society does not currently enter into forward contracts to mitigate this risk. There has been no change to the risk exposure from 2012.

### (b) Interest rate risk:

Interest rate risk arises on interest-bearing financial instruments held in investment portfolios, such as bonds. Interest rate risk refers to the risk that the value of a financial instrument will fluctuate due to changes in market interest rate.

The GICs have interest rates of 1.95% to 2.00% (2012 – NA) and mature May 2013.

The fixed income investments are all at fixed rates and have a weighted average effective interest rate of 4.11% (2012 – 4.58%) and a weighted average term to maturity of 4.0 years (2012 – 5.0 years).

# THE ALMA MATER SOCIETY OF QUEEN'S UNIVERSITY INCORPORATED

Notes to Financial Statements (continued)

Years ended April 30, 2013 and 2012

### 3. Capital assets:

April 30, 2013	Cost	Accumulated amortization	Net book value
AMS General Office:			
Computer	\$ 748,267	\$ 705,318	\$ 42,949
Furniture and equipment	294,057	280,661	13,396
Leasehold improvements	191,441	123,197	68,244
	1,233,765	1,109,176	124,589
CFRC:			
Furniture and equipment			
Common Ground Coffeehouse:			
Furniture and equipment and leasehold improvements	321,300	309,378	11,922
Publishing and Copy Centre:			
Equipment	703,345	651,860	51,485
Queen's Student Constables:			
Equipment	23,416	22,917	499
Queen's TV:			
Equipment	71,846	53,198	18,648
Student Life Centre:			
Equipment	9,682	656	9,026
SMART:			
Equipment	2,709	863	1,846
The AMS Pub Services:			
Furniture and equipment	772,671	740,336	32,335
The Queen's Journal:			
Equipment	91,717	89,725	1,992
Tricolour Outlet Services:			
Furniture and equipment	228,744	199,511	29,233
Walkhome:			
Furniture and equipment	75,575	59,579	15,996
Yearbook and Design Services:			
Furniture and equipment	151,996	147,886	4,110
	\$ 3,686,766	\$ 3,385,085	\$ 301,681

# THE ALMA MATER SOCIETY OF QUEEN'S UNIVERSITY INCORPORATED

Notes to Financial Statements (continued)

Years ended April 30, 2013 and 2012

### 3. Capital assets:

April 30, 2012	Cost	Accumulated amortization	Net book value
AMS General Office:			
Computer	\$ 746,930	\$ 658,536	\$ 88,394
Furniture and equipment	292,642	266,151	26,491
Leasehold improvements	190,308	101,415	88,893
	1,229,880	1,026,102	203,778
CFRC:			
Furniture and equipment	3,066	2,506	560
Common Ground Coffeehouse:			
Furniture and equipment and leasehold improvements	319,359	292,855	26,504
Publishing and Copy Centre:			
Equipment	676,454	625,392	51,062
Queen's Student Constables:			
Equipment	23,416	20,923	2,493
Queen's TV			
Equipment	58,470	42,388	16,082
Student Life Centre Facilities:			
Equipment	39,334	3,685	35,649
SMART:			
Equipment	1,992	-	1,992
The AMS Pub Services:			
Furniture and equipment	749,392	716,401	32,991
The Queen's Journal:			
Equipment	90,106	88,543	1,563
Tricolour Outlet Services:			
Furniture and equipment	198,871	196,358	2,513
Walkhome:			
Furniture and equipment	56,383	53,176	3,207
Yearbook and Design Services:			
Furniture and equipment	150,528	144,958	5,570
	\$ 3,597,251	\$ 3,213,287	\$ 383,964

# THE ALMA MATER SOCIETY OF QUEEN'S UNIVERSITY INCORPORATED

Notes to Financial Statements (continued)

Years ended April 30, 2013 and 2012

### 3. Capital assets:

May 1, 2011	Cost	Accumulated amortization	Net book value
AMS General Office:			
Computer	\$ 679,997	\$ 607,004	\$ 72,993
Furniture and equipment	280,967	251,768	29,199
Leasehold improvements	147,847	79,990	67,857
	1,108,811	938,762	170,049
CFRC:			
Furniture and equipment	3,066	2,058	1,008
Common Ground Coffeehouse:			
Furniture and equipment and leasehold improvements	303,091	276,404	26,687
Destinations:			
Furniture and equipment and leasehold improvements	41,822	41,822	–
Publishing and Copy Centre:			
Equipment	628,321	603,584	24,737
Queen's Student Constables:			
Equipment	23,416	18,928	4,488
Queen's TV			
Equipment	39,383	35,603	3,780
The AMS Merchandise Services:			
Furniture and equipment	157,016	150,747	6,269
The AMS Pub Services:			
Furniture and equipment	728,371	690,186	38,185
The Queen's Journal:			
Equipment	89,196	87,719	1,477
Walkhome:			
Furniture and equipment	56,383	49,482	6,901
Yearbook and Design Services:			
Furniture and equipment	145,888	143,244	2,644
	\$ 3,324,764	\$ 3,038,539	\$ 286,225

### 4. Student loans program:

By resolution of the Board of Directors in September 1976, the Society transferred \$20,000 to Queen's University to be held in trust, of which \$10,000 was used for investment purposes and \$10,000 for short-term loans to students. By agreement in December 1986, the \$10,000 used for investment purposes plus \$2,000 interest earned were returned to the Society with a provision that interest earned thereon be paid to the University annually and be used to increase the student loan fund. The student loan fund is also increased by interest earned on the loans to students. As at April 30, 2013, the student loan fund amounted to \$41,950 (April 30, 2012 - \$41,710; May 1, 2011 - \$41,470).



# THE ALMA MATER SOCIETY OF QUEEN'S UNIVERSITY INCORPORATED

Notes to Financial Statements (continued)

Years ended April 30, 2013 and 2012

## 5. Accounts payable and accrued liabilities:

Included in accounts payable and accrued liabilities are government remittances payable of \$117,216 (April 30, 2012 - \$124,023; May 1, 2011 - \$118,265), which includes amounts payable for HST and payroll related taxes.

## 6. Investment in capital assets:

Net assets invested in capital assets consists of the following:

	April 30, 2013	April 30, 2012	May 1, 2011
Capital assets	\$ 301,681	\$ 383,964	\$ 286,225

The change in investment in capital assets is calculated as follows:

	2013	2012
Excess of expenses over revenue:		
Amortization of capital assets	\$ (178,436)	\$ (174,749)
Net change in investment in capital assets:		
Capital assets acquired	\$ 131,915	\$ 272,488
Capital assets disposed	(35,762)	-
	\$ 96,153	\$ 272,488

## 7. Restricted funds:

Internally restricted funds consist of the following:

	April 30, 2013	April 30, 2012	May 1, 2011
Accessibility Queen's Advantage	\$ 144,252	\$ 137,071	\$ 102,339
Health and Dental plans	394,487	205,384	385,726
AMS Student Centre	1,170,266	1,063,021	1,007,362
Queen's Centre	604,865	528,344	549,762
	-	-	3,048,371
	\$ 2,313,870	\$ 1,933,820	\$ 5,093,560

# THE ALMA MATER SOCIETY OF QUEEN'S UNIVERSITY INCORPORATED

Notes to Financial Statements (continued)

Years ended April 30, 2013 and 2012

## 7. Restricted funds (continued):

Externally restricted funds consist of the following:

	April 30, 2013	April 30, 2012	May 1, 2011
Queen's Centre	\$ 553,529	\$ 546,272	\$ -
Student Life Centre Facilities	29,886	106,872	-
	<b>\$ 583,415</b>	<b>\$ 653,144</b>	<b>\$ -</b>

## 8. Commitments:

- (a) The Society has entered into an agreement to occupy 190 University Avenue for the use of the Queen's Journal. During the period of occupation of 190 University Avenue, the Society shall pay to Queen's University a monthly license fee of \$2,200 per month. In addition, the Society will be responsible for all costs associated with the occupation of the building.
- (b) The Society has entered into an agreement to occupy MacGillivray Brown Hall for the use of its services. During the period of occupation of MacGillivray Brown Hall, the Society shall pay to Queen's University a monthly license fee of \$Nil per month; however, the Society will be responsible for all costs associated with the occupation of the building.
- (c) The Society has entered into an agreement with Queen's University which sets out the terms and conditions relating to the Society's financial commitment of \$25.5 million to support the capital costs of the new Queen's Centre. Funds required to meet this commitment were raised through the collection of student activity fees by the Society. In February 2009, Society Assembly passed a motion to hold in trust any outstanding portion of the commitment until the future construction commences or negotiation takes place.

An Agreement was reached in 2012 with Queen's University to renegotiate the Society's commitment to the Queen's Centre fund. This Agreement resulted in the payment to Queen's University of \$4.7 million, representing total student activity fees collected less a holdback of \$500,000 plus interest earned. These funds have been invested and are reported in Externally Restricted Funds.

- (d) In April 2012, the Society entered into a Memorandum of Understanding with Radio Queen's University ("RQU"), which provided for the operational and financial transfer of the CFRC radio station from the Society to RQU. Effective April 2013, CFRC's net assets were transferred to RQU and a liability of \$15,000 was recorded representing the Society's commitment for future grants payable in 2014 and 2015.

# THE ALMA MATER SOCIETY OF QUEEN'S UNIVERSITY INCORPORATED

Notes to Financial Statements (continued)

Years ended April 30, 2013 and 2012

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## **9. Other financial risks and concentration of risk:**

### *Credit risk:*

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Society is exposed to credit risk with respect to the accounts receivable and marketable securities. The credit risk of the Society at April 30, 2013 is the carrying value of these assets.

The Society assesses, on a continuous basis, accounts receivable and provides for any amounts that are not collectible in the allowance for doubtful accounts. The balance of the allowance for doubtful accounts at April 30, 2013 is \$33,506 (April 30, 2012 - \$1,000; May 1, 2011 \$1,000).

The Society deals with creditworthy counterparties to mitigate the risk of financial loss from defaults related to marketable securities.

There have been no significant changes to the credit exposure from 2012.

# THE ALMA MATER SOCIETY OF QUEEN'S UNIVERSITY INCORPORATED

Schedule of Service Revenue, Expenses and Interfund Transfers

SCHEDULE A

Years ended April 30, 2013 and 2012

	2013				2012			
	Revenue	Expenses	Interfund transfers	Net contribution	Revenue	Expenses	Interfund transfers	Net contribution
AMS Food Centre	\$ 18,620	\$ 13,688	\$ -	\$ 4,932	\$ 21,772	\$ 21,456	\$ 2,200	\$ (1,884)
CFRC	213,153	234,480	-	(21,327)	168,248	184,609	-	(16,361)
Common Ground Coffeehouse	1,082,762	1,024,556	60,000	(1,794)	1,097,356	1,053,827	57,000	(13,471)
Convocation Services	54,186	39,878	-	14,308	53,620	40,377	-	13,243
Publishing and Copy Centre	424,362	376,280	21,000	27,082	491,023	423,253	21,000	46,770
Queen's Student Constables	308,395	303,145	2,000	3,250	311,299	318,496	2,000	(9,197)
Queen's TV	70,783	84,790	3,100	(17,107)	75,105	76,134	3,100	(4,129)
Queen's Media and Journalism Conference	4,160	4,322	-	(162)	2,323	3,825	-	(1,502)
S.M.A.R.T.	41,971	42,342	1,500	(1,871)	-	-	-	-
The AMS Pub Services	1,495,512	1,452,474	63,000	(19,962)	1,547,109	1,490,295	61,000	(4,186)
The Queen's Journal	326,208	317,919	36,400	(28,111)	334,986	292,454	36,400	6,132
Tricolour Outlet	1,402,948	1,253,314	61,500	88,134	1,260,849	1,207,987	61,500	(8,638)
Yearbook and Design Services	294,644	250,282	8,000	36,362	313,437	212,521	8,000	92,916
Walkhome	405,842	399,717	2,600	3,525	393,462	361,124	2,600	29,738
	<b>\$ 6,143,546</b>	<b>\$ 5,797,187</b>	<b>\$ 259,100</b>	<b>\$ 87,259</b>	<b>\$ 6,070,589</b>	<b>\$ 5,686,358</b>	<b>\$ 254,800</b>	<b>\$ 129,431</b>

# THE ALMA MATER SOCIETY OF QUEEN'S UNIVERSITY INCORPORATED

Schedule of Other Corporate Revenue, Expenses and Interfund Transfers

SCHEDULE B

Years ended April 30, 2013 and 2012

	2013				2012			
	Revenue	Expenses	Interfund transfers	Net contribution	Revenue	Expenses	Interfund transfers	Net contribution
AMS General Office	\$ 1,913,543	\$ 2,076,722	\$ (89,000)	\$ (74,179)	\$ 1,871,420	1,918,825	(99,000)	\$ 51,595
Board of Directors	–	44,190	(53,664)	9,474	–	47,161	(70,000)	22,839
Communications Office	47,820	38,822	–	8,998	51,132	51,308	–	(176)
Human Resources Office	81,420	72,334	–	9,086	60,805	59,026	–	1,779
Information Technology Office	148,280	140,083	–	8,197	164,014	159,147	–	4,867
Marketing Office	43,464	34,151	–	9,313	47,715	42,862	–	4,853
Student Life Centre	266,510	204,003	62,507	–	186,853	248,321	(61,468)	–
	\$ 2,501,037	\$ 2,610,305	\$ (80,157)	\$ (29,111)	\$ 2,381,939	\$ 2,526,650	\$ (230,468)	\$ 85,757

# THE ALMA MATER SOCIETY OF QUEEN'S UNIVERSITY INCORPORATED

Schedule of Government Revenue, Expenses and Interfund Transfers

SCHEDULE C

Years ended April 30, 2013 and 2012

	2013				2012			
	Revenue	Expenses	Interfund transfers	Net contribution	Revenue	Expenses	Interfund transfers	Net contribution
Academic Affairs Commission	\$ 36,228	\$ 33,290	\$ -	\$ 2,938	\$ 45,690	\$ 39,538	\$ -	\$ 6,152
Assembly	24,831	17,256	-	7,575	44,845	23,332	(10,000)	31,513
Campus Activities Commission	443,837	483,882	-	(40,045)	412,953	447,189	-	(34,236)
Internal Affairs Commission	127,437	117,146	-	10,291	120,924	112,253	-	8,671
Municipal Affairs Commission	70,515	70,353	-	162	75,532	70,083	-	5,449
O.U.S.A.	55,722	68,683	-	(12,961)	55,936	43,126	-	12,810
Social Issues Commission	88,334	78,415	-	9,919	87,652	71,383	-	16,269
Sustainability Commission	74,136	68,173	-	5,963	74,901	62,407	-	12,494
Vice-President University Affairs	11,904	7,775	-	4,129	12,431	11,828	-	603
	<u>\$ 932,944</u>	<u>\$ 944,973</u>	<u>\$ -</u>	<u>\$ (12,029)</u>	<u>\$ 930,864</u>	<u>\$ 881,139</u>	<u>\$ (10,000)</u>	<u>\$ 59,725</u>

# THE ALMA MATER SOCIETY OF QUEEN'S UNIVERSITY INCORPORATED

Schedule of Restricted Funds Revenue, Expenses and Interfund Transfers

SCHEDULE D

Years ended April 30, 2013 and 2012

	2013				2012			
	Revenue	Expenses	Interfund transfers	Net contribution	Revenue	Expenses	Interfund transfers	Net contribution
Internally restricted:								
Accessibility Queen's Advantage	\$ 45,617	\$ 33,436	\$ 5,000	\$ 7,181	\$ 45,732	\$ 6,000	\$ 5,000	\$ 34,732
AMS Student Centre	283,233	36,467	57,664	189,102	(15,266)	71,076	94,000	(180,342)
Health and Dental Plans	466,530	93,371	296,638	76,521	453,022	96,292	378,148	(21,418)
Queen's Centre (note 8(c))	2,477,659	2,290,413	80,000	107,246	2,292,735	2,157,076	80,000	55,659
	—	—	—	—	2,219,251	4,721,350	546,272	(3,048,371)
	3,273,039	2,453,687	439,302	380,050	4,995,474	7,051,794	1,103,420	(3,159,740)
Externally restricted:								
Queen's Centre	7,257	—	—	7,257	—	—	(546,272)	546,272
Student Life Centre Facilities	611,343	1,306,574	(618,245)	(76,986)	673,775	1,138,383	(571,480)	106,872
	618,600	1,306,574	(618,245)	(69,729)	673,775	1,138,383	(1,117,752)	653,144
<b>Total restricted funds</b>	<b>\$ 3,891,639</b>	<b>\$ 3,760,261</b>	<b>\$ (178,943)</b>	<b>\$ 310,321</b>	<b>\$ 5,669,249</b>	<b>\$ 8,190,177</b>	<b>\$ (14,332)</b>	<b>\$(2,506,596)</b>