

**FINANCIAL STATEMENTS OF**

**DURHAM COLLEGE STUDENT  
ASSOCIATION**

**April 30, 2025**

## TABLE OF CONTENTS

	Page
<b>INDEPENDENT AUDITOR'S REPORT</b>	
<b>FINANCIAL STATEMENTS</b>	
Statement of Financial Position	1
Statement of Operations	2
Statement of Changes In Fund Balances	3
Statement of Cash Flows	4
Notes to the Financial Statements	5 - 15



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## **INDEPENDENT AUDITOR'S REPORT**

To the Members of  
Durham College Student Association

### *Opinion*

We have audited the financial statements of Durham College Student Association (the "Organization"), which comprise the statement of financial position as at April 30, 2025, the statement of operations, statement of 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 Organization as at April 30, 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 Organization in accordance with the 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 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 Organization'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 Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization'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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## INDEPENDENT AUDITOR'S REPORT, 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 Organization'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 Organization'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 Organization 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.

*Baker Tilly KDN LLP*

Chartered Professional Accountants  
Licensed Public Accountants

Courtice, Ontario  
December 9, 2025

**DURHAM COLLEGE STUDENT ASSOCIATION**  
**STATEMENT OF FINANCIAL POSITION**  
As at April 30, 2025

	2025	2024
	\$	\$
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents (Note 3)	9,173,348	7,849,706
Restricted cash - Health Fund (Note 4)	2,500,500	2,500,500
Accounts receivable	107,784	123,483
Government remittances receivable	-	6,424
Inventory	19,597	18,373
Prepaid expenses and deposits	1,182,915	942,059
Due from Durham College (Note 5)	333,207	457,107
	13,317,351	11,897,652
Restricted cash - Building fund	617,497	397,497
Tangible capital assets (Note 6)	846,633	1,083,888
	14,781,481	13,379,037
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	467,731	785,288
Government remittances payable	11,737	-
Insurance contract liability (Note 7)	202,099	161,609
Deferred revenue - health and dental	2,437,863	1,257,487
	3,119,430	2,204,384
<b>NET ASSETS</b>		
Unrestricted	4,166,189	4,252,170
Investment in capital assets	846,632	1,083,888
Health fund - internally restricted	6,031,733	5,441,098
Building fund - internally restricted	617,497	397,497
	11,662,051	11,174,653
	14,781,481	13,379,037

Approved on behalf of the board

*Camryn Wood*  
\_\_\_\_\_  
Director

*Daniella Kimevski*  
\_\_\_\_\_  
Director

The accompanying notes are an integral part of these financial statements

**DURHAM COLLEGE STUDENT ASSOCIATION**  
**STATEMENT OF OPERATIONS**  
For the year ended April 30, 2025

	2025	2024
	\$	\$
<b>Membership and other revenue</b>		
Health fees (Note 7)	4,331,175	3,947,865
Student fees (Note 9)	3,158,863	3,071,143
Interest income	473,664	303,628
Other income	93,018	24,796
	<u>8,056,720</u>	<u>7,347,432</u>
<b>Hospitality operations</b>		
Sales	205,998	151,023
Wages and employee benefits	(295,213)	(239,055)
Purchases	(170,407)	(128,234)
General overhead	(24,119)	(26,837)
	<u>(283,741)</u>	<u>(243,104)</u>
<b>Expenses</b>		
Health expenses (Note 7)	3,487,651	2,911,921
Wages and benefits (Note 10)	1,651,394	1,300,410
Campus events and orientation	635,574	264,715
Governance and administration	276,086	257,812
Occupancy expenses	269,770	268,951
Amortization	256,489	255,714
Professional fees	230,606	332,628
Contribution to Durham College Foundation (Note 12)	200,000	200,000
Marketing and communication	130,002	111,450
Outreach and wellness services	86,847	177,602
Clubs and societies	61,159	51,146
	<u>7,285,578</u>	<u>6,132,349</u>
<b>Excess of revenues over expenditures for the year</b>	<u>487,401</u>	<u>971,979</u>

The accompanying notes are an integral part of these financial statements

**DURHAM COLLEGE STUDENT ASSOCIATION**  
**STATEMENT OF CHANGES IN FUND BALANCES**  
For the year ended April 30, 2025

	2025	2024
	\$	\$
<b>Unrestricted fund</b>		
Balance, beginning of year	4,252,170	4,050,385
Excess of revenue over expenditures	487,401	971,979
Transfer to capital asset fund	-	(67,782)
Transfer from capital asset fund	237,254	-
Transfer to health fund (Note 7)	(590,636)	(682,434)
Transfer to building fund (Note 5)	(220,000)	(220,000)
Transfer from building fund (Note 12)	-	200,022
<b>Balance, end of year</b>	<b>4,166,189</b>	<b>4,252,170</b>
<b>Invested in Capital Assets</b>		
Balance, beginning of year	1,083,888	1,016,106
Purchase of capital assets	19,233	323,496
Amortization of tangible capital assets	(256,489)	(255,714)
<b>Balance, end of year</b>	<b>846,632</b>	<b>1,083,888</b>
<b>Health fund</b>		
Balance, beginning of year	5,441,097	4,758,664
Excess of revenue over expenses of the health fund (Note 7)	590,636	682,433
<b>Balance, end of year</b>	<b>6,031,733</b>	<b>5,441,097</b>
<b>Building fund</b>		
Balance, beginning of year	397,497	377,519
Transfer to unrestricted fund	-	(22)
Transfer from unrestricted fund (Notes 2 & 5)	220,000	220,000
Transfer to unrestricted funds	-	(200,000)
<b>Balance, end of year</b>	<b>617,497</b>	<b>397,497</b>

The accompanying notes are an integral part of these financial statements

**DURHAM COLLEGE STUDENT ASSOCIATION**  
**STATEMENT OF CASH FLOWS**  
For the year ended April 30, 2025

	2025	2024
	\$	\$
<b>CASH PROVIDED FROM (USED FOR)</b>		
<b>Operating activities</b>		
Net income	487,401	971,979
Adjustments for		
Amortization of tangible capital assets	256,489	255,714
	743,890	1,227,693
Change in non-cash working capital items		
Accounts receivable	15,699	(52,348)
Inventory	(1,224)	(12,961)
Prepaid expenses	(240,856)	(135,405)
Due from Durham College	123,900	307,605
Accounts payable and accrued liabilities	(317,558)	532,850
Government remittances payable	18,160	(12,731)
Insurance contract liability	40,489	47,582
Deferred revenue - health and dental	1,180,375	(428,223)
	818,985	246,369
	1,562,875	1,474,062
<b>Investing activities</b>		
Purchase of tangible capital assets	(19,234)	(323,496)
Proceeds from short term investments	-	2,321,898
	(19,234)	1,998,402
<b>Increase in cash and cash equivalents</b>	1,543,641	3,472,464
<b>Cash and cash equivalents, beginning of year</b>	10,747,703	7,275,239
<b>Cash and cash equivalents, end of year</b>	12,291,345	10,747,703
<b>Cash consists of:</b>		
Cash and cash equivalents (Note 3)	9,173,348	7,849,706
Restricted cash - Health Fund (Note 4)	2,500,500	2,500,500
Restricted cash - Student Building Fund	617,497	397,497
	12,291,345	10,747,703

The accompanying notes are an integral part of these financial statements

**DURHAM COLLEGE STUDENT ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended April 30, 2025

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1. **NATURE OF OPERATIONS**

Durham College Student Association (the "Organization") changed its name from Durham College Student Inc. by the Articles of Amendments to the Articles of Incorporation on March 15, 2022. The Organization was incorporated on July 10, 2017 without share capital and operates as a not-for-profit organization that is tax exempt under the Income Tax Act. The Organization is a service-based association that puts Durham College students' needs at the forefront, and provides quality campus engagement for every full-time student.

2. **SIGNIFICANT ACCOUNTING POLICIES**

(a) *Basis of presentation*

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

(b) *Fund accounting deferred*

In order to ensure observance of limitations and restrictions placed on the use of the resources available to the Organization, the accounts are maintained in accordance with the principles of fund accounting. Under these principles, resources are classified for accounting purposes into funds that are in accordance with particular activities or objectives specified. These funds are classified as investment in capital assets, health fund, building fund and unrestricted. The Organization then follows the deferral method of accounting for such contributions.

Restricted contributions are recognized as revenue in the year in which the related expenses are made. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Contributions of tangible capital assets are included as deferred contributions and are amortized to revenue at the same rate and on the same basis as amortization of the related property and equipment.

Endowment contributions are recognized as direct increases in net assets.

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The accompanying notes are an integral part of these financial statements

**DURHAM COLLEGE STUDENT ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended April 30, 2025

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2. **SIGNIFICANT ACCOUNTING POLICIES, continued**

(c) *Financial instruments*

The Organization initially measures its financial assets and financial liabilities at fair value, except for certain non-arm's length transactions. The Organization subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in excess of revenue over expenditures.

Financial assets measured at amortized cost include cash and cash equivalents, accounts receivable, restricted cash - Building fund, restricted cash - Health fund, and amounts due from Durham College.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities and insurance contract liability.

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in excess of revenue over expenditures. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in excess of revenue over expenditures.

The Organization recognizes its transaction costs in excess of revenue over expenditure in the period incurred. However, financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption.

(d) *Cash and cash equivalents*

Cash and cash equivalents include cash and short-term investments consisting of cashable guaranteed investment certificates (GIC's) which are readily convertible into a known amount of cash, and are subject to an insignificant risk to changes in their fair value.

(e) *Inventory*

Inventory is measured at the lower of cost and net realizable value. Cost is determined on a first-in, first-out basis. Cost includes all costs of purchase, direct labour, variable and fixed production overheads, and other costs incurred in bringing the inventories to their present location and condition.

(f) *Tangible capital assets*

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

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The accompanying notes are an integral part of these financial statements

**DURHAM COLLEGE STUDENT ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended April 30, 2025

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2. **SIGNIFICANT ACCOUNTING POLICIES, continued**

(f) *Tangible capital assets, continued*

Computer equipment	Straight-line	3 years
Furniture and fixtures	Straight-line	3 years
Leasehold improvements	Straight-line	5 years
Computer software	Straight-line	3 years
Booster Juice equipment	Straight-line	11 years
Hospitality equipment - Drip Cafe	Straight-line	5 years

Tangible capital assets are reviewed for impairment whenever events or conditions indicate that the assets no longer contribute to the Organization's ability to provide services or that the service potential of the assets are less than their net carrying amount. When conditions indicate that a capital asset is impaired, the net carrying amount of the asset is written down to the asset's fair value or replacement cost.

(g) *Revenue recognition*

Durham College Students Association follows the deferral method of accounting for contributions.

Student fees consist of Student Association Health and Wellness Support Services fees, DCSA Student Life fees, Student Centre fees and Campus Radio Station fees. Student Association Health and Wellness Support Services and Student Life fees are used to fund health and counselling, campus safety and academic support, as well as student life programming including clubs, associations and organizations. Student Centre fees are collected to fund the operations of the Student Centre, which includes; cleaning, operation and general repair, occupier's liability insurance and operational staff. Campus Radio fees fund production time at Riot Radio.

Unrestricted contributions for student fees are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Unrestricted contributions for health fees are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Student health insurance premiums provide coverage for students on an annual basis ending August 31. Deferred revenue includes the portion of fall and winter student health fees revenue for the period of coverage May to August of the following year.

Interest income is recognized on an accrual basis.

All other revenue is recognized as revenue when received or receivable, if the amount can reasonably estimated and collection is reasonably assured.

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The accompanying notes are an integral part of these financial statements

**DURHAM COLLEGE STUDENT ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended April 30, 2025

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2. **SIGNIFICANT ACCOUNTING POLICIES, continued**

(h) *Health fund*

The Health fund is internally restricted by the board and funded by the excess of health fund revenues over expenditures from student health insurance plan and supports the Organization's initiatives that relate to the health and well-being of students. As at year end, \$2,500,500 of the Health fund is held in a separate GIC (Note 4). The remaining balance is held within the Organization's general operating bank account.

(i) *Building fund*

The Building fund is an internally restricted board allocation of funds to be used towards the future purchase of space for the Organization. The funds have been set aside in a separate bank account for future capital spending.

The Board approved a \$200,000 transfer from the operating fund to the building fund during the year ended April 30, 2025. In addition, \$20,000 is annually allocated from the operating fund to the building fund as part of the Operational Agreement with Durham College (note 5).

(j) *Contributed services*

The operations of the Organization depend on both the contribution of time by volunteers and donated materials from various sources. The fair value of donated materials and services cannot be reasonably determined and are therefore not reflected in these financial statements.

(k) *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. Estimates are used when accounting for items and matters such as estimated useful life of tangible capital assets, amortization, asset valuations, deferred revenue, health fund provision and contingencies. Actual results could differ from these estimates.

(l) *Cloud computing arrangements*

The Organization applies the simplification approach to account for expenditures in cloud computing arrangements. The expenditures in the arrangements are expensed as incurred.

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The accompanying notes are an integral part of these financial statements

**DURHAM COLLEGE STUDENT ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended April 30, 2025

3. **CASH & CASH EQUIVALENTS**

	2025	2024
	\$	\$
RBC GIC, bearing interest at 4.45%, maturing October 2025	1,000,500	1,000,500
Cash	8,172,848	6,849,206
	<b>9,173,348</b>	<b>7,849,706</b>

Note that the interest bearing GIC held at year-end are cashable and redeemable at any time subsequent to their purchase.

4. **RESTRICTED CASH - HEALTH FUND**

	2025	2024
	\$	\$
RBC GIC, bearing interest at 4.45%, maturing October 2025	2,500,500	2,500,500

Note that the interest bearing GIC held at year-end are cashable and redeemable at any time subsequent to their purchase.

5. **DURHAM COLLEGE AGREEMENT**

The Organization is governed by a board of directors consisting of student representatives from Durham College.

On March 1, 2021, the Organization entered into an operational agreement with Durham College. Under this agreement, Durham College is responsible to collect certain ancillary fees from students, which include; a Student Association Health and Wellness Support Services fee, a DCSA Student Life fee, a Student Centre fee collected to support the day-to-day operations of the Organization, a Campus Radio Station fee and student health and dental fees, which are then remitted to the Organization. No further ancillary student fees collected by Durham College are remitted to the Organization. The agreement is deemed to have been renewed as no new agreement was reached prior to the termination date.

The accompanying notes are an integral part of these financial statements

**DURHAM COLLEGE STUDENT ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended April 30, 2025

**5. DURHAM COLLEGE AGREEMENT, continued**

Under the operational agreement, the Organization has committed to assume the food operations at the Student Centre including a Booster Juice (opened September 2022) and a grill concept later named Drip Cafe (opened September 2023). As part of this commitment, in 2021, the Organization paid the college \$232,259 from the building fund for the capital equipment (note 6) located in the hospitality space in the Student Centre. The Organization contributes a minimum of \$20,000 annually to the building fund, as outlined in the Operational Agreement.

On March 1, 2021, the Organization entered into a rental agreement with Durham College for space in the Student Centre building. The Organization has agreed to pay annual rent, including HST, of \$243,750 to Durham College in equal monthly installments. Rent includes maintenance and repairs of the leased premises by Durham College. The rent increased by \$2,373 monthly when the food operations opened in the Student Centre which commenced in September 2022. This agreement has expired but rent continues to be paid on a month to month basis with discussions for an extension on-going.

The operations of the Organization depend on the contribution of services, such as student fee collection and processing, from Durham College. The fair value of the services cannot be reasonably determined and are therefore not reflected in these financial statements.

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

The amount due from Durham College represents invoices for student fees collected as part of the normal course of operations and received subsequent to the year end.

**6. TANGIBLE CAPITAL ASSETS**

	Cost	Accumulated Amortization	2025 Net Book Value	2024 Net Book Value
	\$	\$	\$	\$
Computer equipment	62,979	38,441	24,538	32,928
Furniture and fixtures	56,330	41,429	14,901	10,717
Leasehold improvements	1,123,963	497,958	626,005	832,745
Computer software	10,136	10,136	-	1,689
Booster Juice equipment (Note 5)	232,259	63,343	168,916	190,030
Hospitality Equipment - Drip Cafe	17,533	5,260	12,273	15,779
	<b>1,503,200</b>	<b>656,567</b>	<b>846,633</b>	<b>1,083,888</b>

The accompanying notes are an integral part of these financial statements

**DURHAM COLLEGE STUDENT ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended April 30, 2025

**7. HEALTH FUND AND RELATED DISBURSEMENTS**

All full-time Durham College students are required to pay for health and dental insurance as part of the base student fees. Students can opt-out of these plans if they have alternative coverage.

On September 1, 2018, the Organization began to self-insure the health and dental plan. All annual surpluses are invested in the health fund reserve. The Organization is liable for health and dental claims made by students for the lesser of one year after the service date of the claim or 90 days after coverage terminates. A provision has been made in the amount of \$202,099 (2024 - \$161,609) for claims incurred to April 30, 2025 but not yet reported using applicable industry rates.

In order to mitigate risk, the Organization pays an annual stop loss premium for the health plan based on projected future claims. The Organization is insured for claims that exceed 120% of the projected future claims. The Organization reviews the health fund reserve semi-annually to ensure a minimum reserve amount of 20% of projected claims not covered by the stop loss insurance.

The Organization entered into an agreement with an insurance consulting company to provide program management services with respect to the student health and dental plan. If terminated without cause, the contract requires the Organization to pay a fee equivalent to the program management fees for a full policy year based on the current years enrolment. The agreement is effective until August 31, 2025.

	2025	2024
	\$	\$
Revenue		
Student health levy (net of opt-out)	4,331,175	3,947,865
Expenses		
Claims	2,873,242	2,330,749
Health plan premiums	325,260	351,729
Program management fees	289,149	229,443
	3,487,651	2,911,921
Health - wages, salaries and benefits (Note 11)	252,888	353,511
<b>Excess of revenue over expenses of the health fund</b>	<b>590,636</b>	<b>682,433</b>

The accompanying notes are an integral part of these financial statements

**DURHAM COLLEGE STUDENT ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended April 30, 2025

**8. INTERNATIONAL HEALTH PLAN**

On September 1, 2021, the Organization assumed the delivery of the International OHIP coverage plan under a memorandum of understanding ("MOU") with Durham College. All service delivery moved to the Organization under the same terms with the existing health plan provider to ensure service delivery is centralized and to streamline the student experience around their health plan claims, opt-outs, complaints, and support. In 2024, the Organization changed the health plan provider for International OHIP alternative coverage.

The International plan is fully-funded, there are no annual surpluses and the Organization is not liable for claims made by students and as a result, the health plan levy and premiums have been excluded from the Statement of Operations. During the year ended April 30, 2025, the Organization received and distributed the following amounts:

	2025	2024
	\$	\$
International health plan levy	2,606,449	2,336,659
International health plan premiums	(2,606,449)	(2,336,659)
	-	-

**DEFERRED REVENUE**

	2025	2024
	\$	\$
Health insurance deferred revenue		
Opening balance	1,257,487	1,685,710
Funds received, health (net of opt-out)	5,511,551	3,519,642
Funds earned in the year	(4,331,175)	(3,947,865)
<b>Total health deferred revenue</b>	<b>2,437,863</b>	<b>1,257,487</b>

**9. STUDENT FEES**

	2025	2024
	\$	\$
Wellness and Student Life	1,754,773	1,702,734
Student Centre	1,116,328	1,086,066
Riot Radio	287,762	282,343
	<b>3,158,863</b>	<b>3,071,143</b>

The accompanying notes are an integral part of these financial statements

**DURHAM COLLEGE STUDENT ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended April 30, 2025

10. **WAGES AND BENEFITS**

	2025 \$	2024 \$
Outreach and wellness services	413,558	346,985
Management	225,132	71,383
Health	252,888	353,511
Clubs and societies	246,487	131,337
Riot Radio	242,721	190,814
E Sports	137,645	40,667
Executive	51,028	98,948
Marketing	52,971	38,524
Legal Aid	28,964	28,241
	<b>1,651,394</b>	<b>1,300,410</b>

Management and administrative compensation totaling \$498,421 (2024 - \$409,038), was allocated to various functions based on time spent.

11. **CLOUD COMPUTING ARRANGEMENTS**

During the year, the Organization expensed \$87,498 (2024 - \$89,510) with respect to cloud computing arrangements which is included in governance and administration, campus events and orientation and general overhead.

12. **COMMITMENTS**

The Organization committed to a \$1 million contribution to the Durham College Foundation, payable over five years ending September 2025. The contribution supports the Building for Skills campaign for the Durham College Phase IV Whitby Campus Revitalization initiative, which expands the Centre for Skilled Trades and Technology (CSTT). In return, the Organization can occupy designated spaces at the Whitby Campus Main Building and Oshawa Campus Gordon Willey Building.

Remaining payments under this contribution agreement are:

	\$
September 2025	200,000

The Organization has rent commitments with Durham College for monthly rental payments related to the student association building (note 5).

The accompanying notes are an integral part of these financial statements

**DURHAM COLLEGE STUDENT ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended April 30, 2025

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12. **COMMITMENTS, continued**

The Organization operates a "Booster Juice" under a licensing agreement with AW Holdings Corp (Licensor). The license agreement is effective July 10, 2022 with a term ending September 1, 2028 and an option to renew for a further five years. Under the agreement the Organization (Licensee) is required to pay a license fee of \$7,500 on transfer and at renewal. The Organization is required to pay a royalty fee equal to 6% of sales and an advertising and marketing fee equal to 1% of sales.

During the year the Board approved the use of up to \$10,000,000 of reserve funds for the purpose of the Student Centre renovations.

13. **CONTINGENT LIABILITIES**

On October 28, 2018, a lawsuit was initiated against the Organization by former employees alleging wrongful dismissal. The claim is for \$450,000 plus legal costs. The likelihood of the claim being successful is not known. The Organization has filed a statement of defence and it is the intention of the Organization to aggressively defend this lawsuit by the Organization's insurer. It is not possible to determine the liability, if any, the Organization will incur as a result of this action, or the amount of any claim which would be covered by the Organization's \$5,000,000 liability insurance policy. The deadline to set it down for trial was April 13, 2024. The deadline has passed and will potentially be dismissed by the registrar for delay as no action has been taken to set it down for trial since the summary judgement motion.

14. **FINANCIAL INSTRUMENTS**

The Organization is exposed to various risks through its financial instruments and has a risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Organization's risk exposure and concentration as of April 30, 2025.

(a) *Credit risk*

Credit risk arises from the potential that a counter party will fail to perform its obligations. As the cash balances and cash equivalents are held with a major Canadian financial institution there is a concentration of credit risk with one bank in Canada. The risk is managed by using a major bank that is a high credit quality financial institution as determined by rating agencies. The carrying amount of cash and short-term investments included on the statement of financial position represent the maximum credit exposure. The Organization is not exposed to significant credit risk related to accounts receivable as these are primarily due from Durham College and expect to be collected in full.

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The accompanying notes are an integral part of these financial statements

**DURHAM COLLEGE STUDENT ASSOCIATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended April 30, 2025

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14. **FINANCIAL INSTRUMENTS, continued**

*(b) Interest rate risk*

The guaranteed investment certificates included in cash and cash equivalents bear interest at a fixed rate of interest and as such are subject to interest rate price risk resulting from changes in fair value from market fluctuations in interest rates. The Organization manages this risk through investing in fixed-rate securities of short maturity and plans to hold the securities to maturity.

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

15. **COMPARATIVE FIGURES**

The financial statements have been reclassified, where applicable, to conform to the presentation used in the current year. The changes do not affect prior year excess of revenue over expenses.

Subsequent to year-end, the Board retroactively approved the internal restriction and transfer of \$200,000 to the Building Fund, relating to transactions that occurred during the prior fiscal year.

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The accompanying notes are an integral part of these financial statements