

Ontario Tech Student Union
Financial Statements
April 30, 2026

To the Members of Ontario Tech Student Union:

Opinion

We have audited the financial statements of Ontario Tech Student Union (the "Student Union"), which comprise the statement of financial position as at April 30, 2026, and the statements of operations, changes in net assets 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 Student Union as at April 30, 2026, 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 Student Union 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 Student Union'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 Student Union or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Student Union'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:

- 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 Student Union'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 Student Union'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 Student Union 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.

Oshawa, Ontario

August 6, 2026

MNP LLP

Chartered Professional Accountants

Licensed Public Accountants

Ontario Tech Student Union

Statement of Financial Position

As at April 30, 2026

	2026	2025
Assets		
Current		
Cash	4,321,650	2,940,211
Short term investment (Note 3)	57,124	55,245
Accounts receivable (Note 4)	44,305	28,925
Prepaid expenses	63,029	159,224
Government remittances receivable	-	32,797
Due from Ontario Tech University (Note 5), (Note 12)	304,861	389,527
	4,790,969	3,605,929
Capital assets (Note 6)	21,606	36,554
Intangible asset (Note 7)	4,724,883	4,810,016
Investment (Note 8)	1,500,000	1,500,000
	11,037,458	9,952,499
Liabilities		
Current		
Accounts payable and accrued liabilities	365,304	210,484
Government remittances payable	20,990	-
Deferred revenue (Note 9)	1,155,782	837,856
Due to student clubs and societies	209,996	215,363
Current portion of loans payable (Note 10)	155,644	151,653
	1,907,716	1,415,356
Loans payable (Note 10)	2,567,752	2,723,118
	4,475,468	4,138,474
Net Assets		
Unrestricted	3,013,656	2,613,527
Invested in capital and intangible assets (Note 2)	2,023,093	1,971,799
Health fund - internally restricted (Note 11)	1,406,301	1,133,547
Building maintenance fund - internally restricted (Note 2)	118,940	95,152
	6,561,990	5,814,025
	11,037,458	9,952,499
Approved on behalf of the Board		
e-Signed by Arjun Ariaran	e-Signed by Nikkita Singh	
2026-08-11 16:52:52:52 GMT	2026-08-11 17:15:07:07 GMT	
Director	Director	

The accompanying notes are an integral part of these financial statements

Ontario Tech Student Union
Statement of Operations
For the year ended April 30, 2026

	2026	2025
Revenue		
Health fees (Note 11)	4,509,841	3,873,358
Student fees	2,528,278	2,345,622
Legal aid fees	380,129	340,963
Other revenue	251,496	217,172
	7,669,744	6,777,115
Expenses		
Health expense (Note 11)	4,237,087	3,657,322
Wages, salaries and benefits	1,373,610	1,193,064
Legal aid	323,738	290,305
Repairs and maintenance	166,383	165,732
Campus life	108,155	89,109
Clubs and societies	86,726	77,131
Governance	75,246	48,998
Administrative	74,280	72,876
Interest on loans payable	73,230	76,615
Professional fees	71,242	30,275
Marketing and communication	51,880	39,329
Licences and fees	47,120	31,213
Ontario Undergraduate Student Alliance fees	44,240	39,633
Rent	39,368	36,360
Insurance	37,497	38,340
Bank charges and interest	4,122	5,113
Amortization (Note 7)	107,855	121,934
Total expenses	6,921,779	6,013,349
Excess of revenue over expenses	747,965	763,766

The accompanying notes are an integral part of these financial statements

Ontario Tech Student Union
Statement of Changes in Fund Balances
For the year ended April 30, 2026

	<i>Building maintenance fund - internally restricted (Note 2)</i>	<i>Health fund - internally restricted (Note 11)</i>	<i>Invested in capital and intangible assets (Note 2)</i>	<i>Unrestricted</i>	2026	2025
Balance, beginning of year	95,152	1,133,547	1,971,799	2,613,527	5,814,025	5,050,259
Excess of revenue over expenses	-	272,754	-	475,211	747,965	763,766
	95,152	1,406,301	1,971,799	3,088,738	6,561,990	5,814,025
Purchase of capital assets	-	-	7,774	(7,774)	-	-
Amortization	-	-	(107,855)	107,855	-	-
Loan repayments	-	-	151,375	(151,375)	-	-
Interfund transfers (Note 2)	23,788	-	-	(23,788)	-	-
Balance, end of year	118,940	1,406,301	2,023,093	3,013,656	6,561,990	5,814,025

The accompanying notes are an integral part of these financial statements

Ontario Tech Student Union

Statement of Cash Flows

For the year ended April 30, 2026

	2026	2025
Cash provided by (used for) the following activities		
Operating		
Excess of revenue over expenses	747,965	763,766
Amortization	107,855	121,934
	855,820	885,700
Changes in working capital accounts		
Short term investment	(1,879)	(2,150)
Accounts receivable	(15,380)	24,692
Due from Ontario Tech University	84,666	(155,285)
Government remittances receivable/payable	53,787	(36,895)
Prepaid expenses	96,195	(101,445)
Accounts payable and accrued liabilities	154,820	2,352
Deferred revenue	341,379	148,439
Due to student clubs and societies	(28,820)	20,555
	1,540,588	785,963
Financing		
Repayment of loans payable	(151,375)	(147,989)
Investing		
Purchase of capital assets	(7,774)	(24,791)
Increase in cash	1,381,439	613,183
Cash, beginning of year	2,940,211	2,327,028
Cash, end of year	4,321,650	2,940,211

The accompanying notes are an integral part of these financial statements

1. Incorporation and nature of the organization

Ontario Tech Student Union (the "Student Union" or "OTSU") was incorporated on June 6, 2017 without share capital and operates as a not-for-profit organization that is tax exempt under the Income Tax Act.

The Student Union exists to enhance student experience, as well as encourage equality and equity while providing essential services for the students of Ontario Tech University.

2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations set out in Part III of the CPA Canada Handbook - Accounting, as issued by the Accounting Standards Board in Canada.

Revenue recognition

The Student Union follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. 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.

Student fees, health fees and legal aid fees are recognized as revenue in the period it relates to when received or receivable, if the amount can be reasonably estimated, and collection is reasonably assured.

Other revenue is recognized when received or receivable, if the amount can be reasonably estimated, and collection is reasonably assured.

Capital assets

Capital assets are recorded at cost. Amortization is provided using the straight-line method at rates intended to amortize the cost of assets over their estimated useful lives.

	<i>Rate</i>
Furniture and fixtures	3 years
Computer equipment	3 years

Intangible asset

Intangible assets subject to amortization is recorded at cost. Amortization is provided using the straight-line method at a rate intended to amortize the cost of intangible asset over its estimated useful life.

	<i>Rate</i>
Building license	60 years

Long-lived assets

Long-lived assets consist of capital assets and intangible assets with finite useful lives. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The Student Union writes down long-lived assets held for use when conditions indicate that the asset no longer contributes to the Student Union's ability to provide goods and services. The assets are also written-down when the value of future economic benefits or service potential associated with the asset is less than its net carrying amount. When the Student Union determines that a long-lived asset is impaired, its carrying amount is written down to the asset's fair value.

2. Significant accounting policies *(Continued from previous page)*

Internally restricted funds

Internally restricted funds represent amounts that have been designated by the Student Unions Board of Directors to fund various projects and Board-approved initiatives. These internally restricted funds are not available for any other purposes without the approval of the Board of Directors, and include the following:

Health Fund

The Health Fund is funded by the excess of health fund revenues over expenditures from student health insurance plans and supports the Student Union's initiatives that related to the health and well being of students.

Building Maintenance Fund

The Building Maintenance Fund accounts for board allocated funds to be used towards the space for the Student Union, as agreed upon with Ontario Tech University, and of its proportional share of the building's structural and systems repair and maintenance costs.

Invested in Capital and Intangible Assets

Invested in Capital and Intangible Assets reports the Student Union's net investment in capital and intangible assets, less accumulated amortization, any dispositions of capital or intangible assets, and any additions financed through loans.

Contributed materials and services

Contributions of materials and services are recognized both as contributions and expenses in the statement of operations when a fair value can be reasonably estimated and when the materials and services are used in the normal course of the Student Union's operations and would otherwise have been purchased.

The fair value of donated materials and services cannot be reasonably estimated and are therefore not reflected in these financial statements.

Financial instruments

The Student Union recognizes financial instruments when the Student Union becomes party to the contractual provisions of the financial instrument.

Arm's length financial instruments

Financial instruments originated/acquired or issued/assumed in an arm's length transaction ("arm's length financial instruments") are initially recorded at their fair value.

At initial recognition, the Student Union may irrevocably elect to subsequently measure any arm's length financial instrument at fair value. The Student Union has not made such an election during the year.

The Student Union subsequently measures all financial assets and liabilities at amortized cost.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in excess of revenues over expenses. Conversely, transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

Financial asset impairment

The Student Union assesses impairment of all its financial assets measured at cost or amortized cost. The Student Union groups assets for impairment testing when there are numerous assets affected by the same factors. Management considers whether the issuer is having significant financial difficulty in determining whether objective evidence of impairment exists. When there is an indication of impairment, the Student Union determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year.

2. Significant accounting policies *(Continued from previous page)*

Financial instruments *(Continued from previous page)*

With the exception of related party debt instruments and related party equity instruments initially measured at cost, the Student Union reduces the carrying amount of any impaired financial assets to the highest of: the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets at the statement of financial position date; and the amount expected to be realized by exercising any rights to collateral held against those assets.

Any impairment, which is not considered temporary, is included in current year excess of revenues over expenses.

The Student Union reverses impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment loss was recognized. The amount of the reversal is recognized in excess of revenues over expenses in the year the reversal occurs.

Measurement uncertainty (use of estimates)

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 amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of capital assets. Accounts payable and accrued liabilities include amounts based on management estimates for unbilled purchases and services at year-end. Deferred revenue include amounts based on management estimates.

By their nature, these judgments are subject to measurement uncertainty, and the effect on the financial statements of changes in such estimates and assumptions in future years could be material. These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenues over expenses in the years in which they become known.

3. Short term investment

Short term investment consists of a non-redeemable guaranteed investment certificate ("GIC") that has an annual interest rate of 2.45% (2025 – 3.40%). The GIC matures on October 12, 2026 (2025 – October 12, 2025).

4. Accounts receivable

An allowance for doubtful accounts of nil in 2026 and nil in 2025 has been provided.

5. Due from Ontario Tech University

The amount due from Ontario Tech University represents the final payment for the fall and winter terms. The amount is non-interest bearing and is due by May 31st annually.

6. Capital assets

	Cost	Accumulated amortization	2026 Net book value	2025 Net book value
Furniture and fixtures	52,329	40,957	11,372	19,384
Computer equipment	137,853	127,619	10,234	17,170
	190,182	168,576	21,606	36,554

Ontario Tech Student Union
Notes to the Financial Statements
For the year ended April 30, 2026

7. Intangible asset

	2026	2025
Building license	5,107,982	5,107,982
Accumulated amortization	(383,099)	(297,966)
	4,724,883	4,810,016

Amortization of \$85,133 (2025 – \$85,133), related to intangible assets with definite lives, is included in current year excess of revenue over expenses.

8. Investment

Long-term investment consists of a non-redeemable guaranteed investment certificate ("GIC") that has an annual interest rate of 4.50%. The GIC matures on March 30, 2028.

9. Deferred revenue

Deferred revenue includes the portion of fall and winter fees for the period covering May to August of the subsequent year.

	2026	2025
Balance, beginning of year	837,856	689,417
Amount received during the year	4,726,019	4,357,791
Less: Amount recognized as revenue during the year	(4,408,092)	(4,209,352)
Balance, end of year	1,155,783	837,856

10. Loans payable

	2026	2025
Term loan bearing interest at 2.60% payable in monthly blended instalments of \$8,022, due November 2030	1,166,472	1,231,566
Term loan bearing interest at 2.60% payable in monthly blended instalments of \$10,695, due November 2030	1,556,924	1,643,205
	2,723,396	2,874,771
Less: Current portion	155,644	151,653
	2,567,752	2,723,118

Principal repayments on long-term debt in each of the next five years are estimated as follows:

	155,644
2027	159,739
2028	163,942
2029	168,256
2030	2,075,815
Total	2,723,396

Ontario Tech Student Union
Notes to the Financial Statements
For the year ended April 30, 2026

11. Health Fund operations

	2026	2025
Revenue		
Student health levy	3,981,984	3,553,927
My virtual doctor	521,648	314,464
Other health revenue	6,209	4,967
	4,509,841	3,873,358
Expenses		
Student health insurance	3,733,496	3,342,956
My virtual doctor premiums	503,591	314,366
	4,237,087	3,657,322
Excess of health fund revenues over expenses	272,754	216,036

12. Related party transactions

The Student Union is governed by a board of directors consisting of student representatives from Ontario Tech University.

In 2017, the Student Union entered into an operating agreement with Ontario Tech University. Under this agreement, Ontario Tech University is responsible to collect certain ancillary fees from the students, which include a Student Association fee, OTSU Building fee, Student Health fees and Student Legal fees which are then remitted to the Student Union. No further ancillary student fees collected by Ontario Tech University are remitted to the Student Union. The agreement is effective until April 30, 2026. The amount due from Ontario Tech University includes student fees collected on behalf of the Student Union as at April 30, 2026.

On July 2, 2024 the Student Union entered into a rental agreement with Ontario Tech University for space in the downtown location and additional space at the main university. Rent paid in the current year included in expenses is \$39,368 (2025 – \$36,360). This agreement is effective until April 30, 2027.

On September 24, 2017, the Student Union entered into an agreement with Ontario Tech University and Durham College in the construction of a new Student Centre for the Student Union. Ontario Tech Student Union provided \$5,000,000 in licensing fees to utilize a 10% portion of the new building (Note 7), using \$1,500,000 from the Building fund and \$3,500,000 from financing (Note 10). The licensing agreement is effective until November 3, 2050. The Student Union obtained occupancy of the new Student Centre in September 2021.

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.

13. Financial instruments

The Student Union, as part of its operations, carries a number of financial instruments. It is management's opinion that the Student Union is not exposed to significant interest, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed.

Credit Risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. As the cash balance and short-term investments 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 Student Union is not exposed to significant credit risk related to accounts receivable as these are primarily due from Ontario Tech University are expected to be collected in full.

13. Financial instruments *(Continued from previous page)*

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. Changes in market interest rates may have an effect on the cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets or liabilities, known as price risk. The Student Union is exposed to interest rate risk primarily relating to the loans payable and short term investment as they bear interest at fixed rates.

Liquidity risk

Liquidity risk is the risk that the Student Union will encounter difficulty in meeting obligations associated with financial liabilities. The Student Union has long term debt for which repayment is required. The Student Union maintains cash flow budgets to ensure future obligations can be met as they come due.

14. Commitments

In connection with the May 30, 2022 amendment to Buildings License Agreement, the Student Union is responsible for its proportionate share of all operating costs and building structural and system repair and maintenance costs to September 2031. In addition, the Student Union is responsible for rent (Note 12)

Estimated rent and operating costs are annual payments as follows:

2027	214,907