

BCIT STUDENT ASSOCIATION

Financial Statements
May 31, 2013

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INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BCIT STUDENT ASSOCIATION

Report on the Financial Statements

We have audited the accompanying financial statements of BCIT Student Association, which comprise the statements of financial position as at May 31, 2013, May 31, 2012 and June 1, 2011, and the statements of operations, changes in fund balances and cash flows for the years ended May 31, 2013 and May 31, 2012, and 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 the 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 the auditors' 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, the auditor considers 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 BCIT Student Association as at May 31, 2013, May 31, 2012 and June 1, 2011, and the results of its operations, changes in its fund balances and its cash flows for the years ended May 31, 2013 and May 31, 2012 in accordance with Canadian accounting standards for not-for-profit organizations.

Report on Other Legal and Regulatory Requirements

As required by the *Society Act* (British Columbia), we report that, in our opinion, the principles in Canadian accounting standards for not-for-profit organizations have been applied, after giving retrospective effect to the adoption of the new standards in note 3 to the financial statements, on a basis consistent with that of the preceding year.

Smythe Ratcliffe LLP

Chartered Accountants

Vancouver, British Columbia

November 19, 2013

BCIT STUDENT ASSOCIATION
Statements of Financial Position

	Capital Levy Fund	Medical Insurance Fund (note 13)	Operating Fund	May 31, 2013	May 31, 2012 (note 3)	June 1, 2011 (note 3)
Assets (note 10)						
Current						
Cash and cash equivalents (note 4)	\$ 0	\$ 827,568	\$ 815,605	\$ 1,643,173	\$ 1,282,486	\$ 1,659,082
Short-term investments	0	0	0	0	370,903	429,522
Accounts receivable	9,255	33,363	64,346	106,964	81,329	240,474
Government agencies receivable	0	0	0	0	27,589	0
Inventory	0	0	170,117	170,117	183,066	190,024
Prepaid expenses	0	0	59,134	59,134	56,704	41,193
Interfund loans	159,707	0	0	159,707	0	0
	168,962	860,931	1,109,202	2,139,095	2,002,077	2,560,295
Capital Assets (note 6)	0	2,473	1,077,095	1,079,568	614,770	713,299
Other						
Investments	0	0	0	0	490,955	476,014
Deposit	0	0	0	0	1,122,275	0
Deferred charges (note 7)	0	0	161,256	161,256	174,633	189,508
Assets under construction (note 8)	0	0	519,605	519,605	0	0
Prepaid rent (note 9)	0	0	2,536,298	2,536,298	0	0
	0	0	3,217,159	3,217,159	1,787,863	665,522
	\$ 168,962	\$ 863,404	\$ 5,403,456	\$ 6,435,822	\$ 4,404,710	\$ 3,939,116

BCIT STUDENT ASSOCIATION
Statements of Financial Position

	Capital Levy Fund	Medical Insurance Fund (note 13)	Operating Fund	May 31, 2013	May 31, 2012 (note 3)	June 1, 2011 (note 3)
Liabilities						
Current						
Accounts payable and accruals	\$ 0	\$ 0	\$ 296,526	\$ 296,526	\$ 383,590	\$ 196,708
Wages payable	0	4,342	236,334	240,676	264,871	247,650
Government agencies payable	0	0	740	740	0	28,522
Student one-card deposits	0	0	26,960	26,960	19,260	10,887
Deferred revenue (note 12)	0	338,575	140,992	479,567	491,254	325,291
Current portion of long-term debt (note 11)	0	0	95,162	95,162	0	0
Interfund loans	0	3,088	156,619	159,707	0	0
	0	346,005	953,333	1,299,338	1,158,975	809,058
Long-Term Debt (note 11)	0	0	1,840,032	1,840,032	0	0
	0	346,005	2,793,365	3,139,370	1,158,975	809,058
Net Assets						
Invested in capital assets	0	0	0	0	614,770	713,299
Other restricted net assets	168,962	517,399	0	686,361	758,281	725,404
Unrestricted	0	0	2,610,091	2,610,091	1,872,684	1,691,355
	168,962	517,399	2,610,091	3,296,452	3,245,735	3,130,058
	\$ 168,962	\$ 863,404	\$ 5,403,456	\$ 6,435,822	\$ 4,404,710	\$ 3,939,116

Commitments (note 21)
Contingency (note 22)

Approved by the Directors:

_____ Director

_____ Director

BCIT STUDENT ASSOCIATION
Statement of Operations
Year Ended May 31

	Capital Levy Fund	Medical Insurance Fund (note 13)	Operating Fund	2013	2012 (note 3)
Revenues					
Activities - student clubs (note 19)	\$ 0	\$ 0	\$ 107,839	\$ 107,839	\$ 131,303
ATM commissions	0	0	15,162	15,162	17,417
Capital levy fees - student spaces	98,450	0	0	98,450	92,471
Childcare (note 16)	0	0	34,152	34,152	0
Grants	0	0	30,635	30,635	35,131
Image centre, net (note 18)	0	0	59,077	59,077	61,150
Interest and dividends	0	7,554	15,532	23,086	58,849
Miscellaneous (note 17)	0	778	72,258	73,036	62,339
Pepsi and other sponsorship	0	0	184,704	184,704	192,730
Pub, net (note 14)	0	0	525,729	525,729	546,752
Publications (note 20)	0	0	36,255	36,255	35,890
Retail store, net (note 15)	0	0	798,350	798,350	750,059
SE2 expansion	0	0	216,590	216,590	203,435
Student fees	0	0	1,291,181	1,291,181	1,249,695
Student medical fees	0	1,557,993	0	1,557,993	1,411,022
Vending	0	0	34,409	34,409	23,695
	98,450	1,566,325	3,421,873	5,086,648	4,871,938

BCIT STUDENT ASSOCIATION
Statement of Operations
Year Ended May 31

	Capital Levy Fund	Medical Insurance Fund (note 13)	Operating Fund	2013	2012 (note 3)
Expenses					
Advertising and promotion	\$ 0	\$ 558	\$ 33,640	\$ 34,198	\$ 40,071
Amortization of deferred charges	0	0	13,376	13,376	13,376
Amortization of prepaid rent	0	0	101,453	101,453	0
Bank charges and interest	0	0	75,892	75,892	58,615
Bursaries	0	0	46,835	46,835	31,549
Depreciation	0	713	159,427	160,140	139,140
Equipment rental	0	0	28,649	28,649	28,303
Handbook	0	0	22,472	22,472	28,818
Honouraria	0	0	70,213	70,213	64,969
Insurance	0	0	77,798	77,798	43,727
Interest on long-term debt	0	0	46,231	46,231	0
Janitorial	0	0	43,219	43,219	40,325
Medical insurance premiums	0	1,410,362	0	1,410,362	1,420,524
Office and miscellaneous	4,778	1,469	78,774	85,021	61,211
Professional development	0	1,056	24,949	26,005	26,294
Professional fees	0	2,356	140,517	142,873	146,833
Rent	0	924	168,958	169,882	166,146
Repairs and maintenance	0	0	52,313	52,313	27,743
Societies and student services	70,659	8,447	183,778	262,884	406,640
Sub-contracted printing	0	0	40,522	40,522	28,699
Telephone and utilities	0	762	20,716	21,478	23,167
Wages and benefits	0	47,721	2,067,931	2,115,652	1,914,236
	75,437	1,474,368	3,497,663	5,047,468	4,710,386
Excess (Deficiency) of Revenues Over Expenses Before Other Items					
	23,013	91,957	(75,790)	39,180	161,552
Other Items					
Realized gain on sale of investments	0	0	12,674	12,674	6,508
Unrealized loss on investments	0	0	0	0	(48,999)
Write-off of capital assets	0	0	(1,137)	(1,137)	(3,384)
	0	0	11,537	11,537	(45,875)
Excess (Deficiency) of Revenues Over Expenses					
	\$ 23,013	\$ 91,957	\$ (64,253)	\$ 50,717	\$ 115,677

BCIT STUDENT ASSOCIATION
Statement of Changes in Fund Balances
Year Ended May 31

	Capital Asset Fund	Capital Levy Fund	Medical Insurance Fund	Operating Fund	2013	2012
			(note 13)			
Balance, Beginning of Year	\$ 614,770	\$ 337,737	\$ 420,544	\$ 1,872,684	\$ 3,245,735	\$ 3,130,058
Excess (Deficiency) of Revenues over Expenses	0	23,013	91,957	(64,253)	50,717	115,677
Interfund Transfers	(614,770)	(191,788)	4,898	801,660	0	0
Balance, End of Year	\$ 0	\$ 168,962	\$ 517,399	\$ 2,610,091	\$ 3,296,452	\$ 3,245,735

BCIT STUDENT ASSOCIATION
Statement of Cash Flows
Year Ended May 31

	Capital Levy Fund	Medical Insurance Fund (note 13)	Operating Fund	2013	2012
Operating Activities					
Excess (deficiency) of revenues over expenses	\$ 23,013	\$ 91,957	\$ (64,253)	\$ 50,717	\$ 115,677
Items not involving cash					
Depreciation	0	713	159,427	160,140	139,140
Amortization of deferred charges	0	0	13,376	13,376	13,376
Bad debts	0	0	2,481	2,481	355
Unrealized loss on investments	0	0	0	0	48,999
Accrued interest	0	0	(3,722)	(3,722)	(14,941)
Write-off of capital assets	0	0	1,137	1,137	3,384
Realized gain on sale of investments	0	0	(12,674)	(12,674)	0
Amortization of prepaid rent	0	0	101,453	101,453	0
	23,013	92,670	197,225	312,908	305,990
Net changes in working capital accounts					
Short-term investments	0	0	0	0	9,620
Accounts receivable	(1,977)	(13,117)	(13,022)	(28,116)	159,145
Inventory	0	0	12,949	12,949	6,603
Prepaid expenses	0	0	(2,430)	(2,430)	(15,511)
Deposit	0	0	0	0	(1,122,275)
Prepaid rent	0	0	(1,582,651)	(1,582,651)	0
Accounts payable and accruals	0	0	(87,063)	(87,063)	186,881
Wages payable	0	608	(24,802)	(24,194)	17,221
Government agencies payable	0	1,131	27,198	28,329	(56,111)
Student one-card deposits	0	0	7,700	7,700	8,373
Deferred revenue	0	(9,781)	(1,906)	(11,687)	167,463
Interfund loans	(21,036)	3,533	17,503	0	0
	(23,013)	(17,626)	(1,646,524)	(1,687,163)	(638,591)
Cash Provided by (Used in) Operating Activities	0	75,044	(1,449,299)	(1,374,255)	(332,601)
Investing Activities					
Proceeds from sale of investments	0	0	878,254	878,254	0
Capital assets acquired	0	(713)	(81,434)	(82,147)	(43,995)
Assets under construction	0	0	(996,359)	(996,359)	0
Cash Used in Investing Activities	0	(713)	(199,539)	(200,252)	(43,995)
Financing Activities					
Proceeds from long-term debt	0	0	2,000,000	2,000,000	0
Repayment of long-term debt	0	0	(64,806)	(64,806)	0
Cash Provided by Financing Activities	0	0	1,935,194	1,935,194	0
Increase (Decrease) in Cash and Cash Equivalents	0	74,331	286,356	360,687	(376,596)
Cash and Cash Equivalents, Beginning of Year	0	753,237	529,249	1,282,486	1,659,082
Cash and Cash Equivalents, End of Year	\$ 0	\$ 827,568	\$ 815,605	\$ 1,643,173	\$ 1,282,486

See notes to financial statements.

BCIT STUDENT ASSOCIATION
Notes to Financial Statements
Year Ended May 31, 2013

1. NATURE OF ORGANIZATION

The BCIT Student Association (the "Association") was incorporated under the *Society Act* (British Columbia) on October 3, 1968 as a not-for-profit organization. The Association's mission is to be an advocate for students and provide services that are student-centered, responsive and proactive in supporting and enhancing the quality of student life.

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Association were prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO") and include the following significant accounting policies.

(a) Fund accounting

The Operating Fund accounts for the Association's program delivery and administrative activities. This fund is unrestricted.

The Medical Insurance Fund reports the assets, liabilities, revenues and expenses related to the students' medical insurance program. Expenditures from this internally restricted fund must relate to the delivery of the Student Health Plan.

The Capital Levy Fund reports revenues and expenses related to specific capital levy amounts charged to the members. Expenditures from this internally restricted fund must relate to student spaces.

The Capital Asset Fund reports the assets, liabilities, revenues and expenses related to the Association's capital assets and building expansion campaign and is internally restricted. During the year, the Board approved a motion to eliminate the Capital Asset Fund retroactively to June 1, 2012. All assets, liabilities, revenues and expenses previously reported in the Capital Assets Fund are now reported within the fund to which those capital assets relate.

(b) Revenue recognition

Revenue is recognized when services have been provided or a sale of product has been completed and collection is reasonably assured. Students may pay in advance for certain goods and services using a one-card. Revenues in respect of amounts paid using the one-card are deferred until the student purchases the goods or service.

The Association follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Amounts relating to a subsequent period are deferred until the related expenditures are incurred.

Unrestricted contributions are recognized as revenue in the year received or receivable if the amount receivable can be reasonably estimated and collection is reasonably assured.

(c) Cash and cash equivalents

Cash and cash equivalents includes cash and highly liquid investments with initial terms to maturity of 90 days or less.

BCIT STUDENT ASSOCIATION

Notes to Financial Statements

Year Ended May 31, 2013

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Inventory

Inventory is held at the Association's pub and retail store, which consists primarily of goods held for resale, and is valued at the lower of cost and net realizable value. Cost is determined on a weighted average basis. Net realizable value is the estimated selling price in the ordinary course of business, less any applicable selling costs.

(e) Capital assets and depreciation

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution if the amount is readily determinable. Depreciation is provided using the following annual rates and methods:

Computer hardware	- 30%	declining-balance
Computer software	- 100%	declining-balance
Furniture and equipment	- 20%	declining-balance
Leasehold improvements	- 10%	straight-line
Office equipment	- 20%	declining-balance
Vehicle	- 30%	declining-balance

Additions during the year are depreciated at one-half the annual rates.

(f) Prepaid rent

Prepaid rent under the lease for the Campus Centre is recorded at cost. Amortization of prepaid rent is calculated on a straight-line basis over the term of the lease.

(g) Assets under construction

Assets under construction for student spaces are recorded at cost. Depreciation is not taken on assets under construction until the asset is in use.

(h) Deferred charges

Deferred charges represent professional fees paid in relation to the lease agreement for the Campus Centre lease with British Columbia Institute of Technology ("BCIT") and a capital funding contribution paid to BCIT in conjunction with the construction of the Campus Centre building.

These amounts are amortized on a straight-line basis over the term of the Campus Centre lease of thirty years.

(i) Contributed services

Volunteers contribute numerous hours each year to assist the Association in carrying out its services. Because of the difficulty in determining their fair value, contributed services are not recognized in the financial statements.

BCIT STUDENT ASSOCIATION
Notes to Financial Statements
Year Ended May 31, 2013

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Financial instruments

The Association initially measures its financial assets and liabilities at fair value. The Association subsequently measures all its financial assets and financial liabilities at amortized cost.

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 (deficiency) of revenues over expenses. In the event a previously recognized impairment loss should be reversed, the amount of the reversal is recognized in excess (deficiency) of revenues over expenses provided it is not greater than the original amount prior to write-down.

For any financial instrument that is measured at amortized cost, the instrument's cost is adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption. These transaction costs are amortized into income on a straight-line basis over the term of the instrument. All other transaction costs are recognized in excess (deficiency) of revenues over expenses in the period incurred.

(k) Use of estimates

The preparation of these financial statements in conformity with ASNPO requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the 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. Significant estimates include rates of depreciation and amortization and accrued liabilities. While management believes these estimates are reasonable, actual results could differ from those estimates and could impact future results of operations and cash flows.

3. FIRST-TIME ADOPTION OF ASNPO

Effective June 1, 2012, the Association adopted the standards in Part III of the Canadian Institute of Chartered Accountants' ("CICA") Handbook: Canadian Accounting Standards for Not-for-Profit Organizations. These financial statements are the first financial statements for which the Association has applied ASNPO. The financial statements for the year ended May 31, 2013 were prepared in accordance with the accounting principles and provisions set out in *First-time Adoption by Not-for-Profit Organizations*, Section 1501, for first-time adopters of this basis of accounting. Section 1501 requires retrospective application of the accounting standards with certain elective exemptions and limited retrospective exceptions. Previously, the Association prepared its financial statements in accordance with the standards of the CICA Handbook – Accounting. The adoption of ASNPO did not result in any adjustments to previously reported assets, liabilities, net assets, excess (deficiency) of revenues over expenses or cash flows of the Association. The Association did not use any exemptions in respect of its transition to ASNPO.

BCIT STUDENT ASSOCIATION
Notes to Financial Statements
Year Ended May 31, 2013

4. CASH AND CASH EQUIVALENTS

	2013	2012	As at June 1, 2011
Unrestricted cash	\$ 815,605	\$ 518,733	\$ 318,779
Restricted cash	827,568	753,237	695,054
Money market fund	0	10,516	135,033
Bonds	0	0	510,216
	\$ 1,643,173	\$ 1,282,486	\$ 1,659,082

5. FINANCIAL INSTRUMENTS

(a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Association is not exposed to significant credit risk, as accounts receivable are primarily due from various BCIT departments and expect to be collected in full, and its cash and cash equivalents are held with a major Canadian financial institution.

(b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates.

The Association is exposed to interest rate price risk on its bank indebtedness bearing a variable interest rate. The Association is exposed to interest rate cash flow risk in respect of its long-term debt with a fixed interest rate.

(c) Liquidity risk

Liquidity risk is the risk that the Association will encounter difficulty in meeting obligations associated with financial liabilities.

The Association is exposed to this risk mainly in respect of its accounts payable and long-term debt. Cash flow from operations provides a substantial portion of the Association's cash requirements. Additional cash requirements are met with the use of the available operating line of credit and bank borrowings under long-term credit arrangements. The available operating line of credit provides flexibility in the short term to meet operational needs and bridge long-term financing. The Association's borrowing arrangements are concentrated with a single Canadian financial institution.

BCIT STUDENT ASSOCIATION
Notes to Financial Statements
Year Ended May 31, 2013

6. CAPITAL ASSETS

	Cost	Accumulated Amortization	2013	2012	As at June 1, 2011
Computer hardware	\$ 216,245	\$ 137,909	\$ 78,336	\$ 64,486	\$ 68,486
Computer software	6,107	3,936	2,171	882	5,122
Furniture and equipment	1,448,766	1,229,086	219,680	232,060	267,599
Office equipment	397,576	386,406	11,170	13,961	17,453
Vehicle	25,994	21,501	4,493	0	0
Leasehold improvements	1,051,107	287,389	763,718	303,381	354,639
	\$ 3,145,795	\$ 2,066,227	\$ 1,079,568	\$ 614,770	\$ 713,299

7. DEFERRED CHARGES

	Cost	Accumulated Amortization	2013	2012	As at June 1, 2011
Capital funding contribution	\$ 289,500	\$ 173,226	\$ 116,274	\$ 125,924	\$ 135,574
Professional fees	111,787	66,805	44,982	48,709	53,934
	\$ 401,287	\$ 240,031	\$ 161,256	\$ 174,633	\$ 189,508

8. ASSETS UNDER CONSTRUCTION

Assets under construction related to the construction of student spaces that were not ready for use and have not been amortized. Amortization of these assets will commence when they are put into use.

9. PREPAID RENT

	Cost	Accumulated Amortization	2013	2012	As at June 1, 2011
Prepaid rent	\$ 2,637,751	\$ 101,453	\$ 2,536,298	\$ 0	\$ 0

10. BANK INDEBTEDNESS

The Association has an available line of credit to a maximum of \$330,000 (May 31, 2012 - \$330,000; June 1, 2011 - \$330,000) of which \$5,000 (May 31, 2012 - \$10,000; June 1, 2011 - \$10,000) is reserved for a letter of guarantee (note 23). The facility is secured by a general security agreement over the Association's assets.

Advances under this facility bear interest at the bank prime rate plus 0.5% per annum. As of year-end, the balance of the facility was \$nil (May 31, 2012 - \$nil; June 1, 2011 - \$nil).

BCIT STUDENT ASSOCIATION
Notes to Financial Statements
Year Ended May 31, 2013

11. LONG-TERM DEBT

	2013	2012	As at June 1, 2011
Vancouver City Savings Credit Union fixed rate term loan bearing interest at 5% per annum, repayable in monthly installments of \$15,815 plus interest, maturing October 2017. The loan is secured by a \$2,000,000 business promissory note made by the Association	\$ 1,935,194	\$ 0	\$ 0
Less: Current portion	95,162	0	0
	\$ 1,840,032	\$ 0	\$ 0

Long-term debt principal repayments to be made during the next five years are as follows:

2014	\$ 95,162
2015	100,031
2016	105,149
2017	110,528
2018	1,524,324
	\$ 1,935,194

The operating loan is subject to the following debt covenant provisions:

- (a) debt service ratio cannot be less than 1.10 to 1;
- (b) total debt to tangible net worth cannot exceed 3:1;
- (c) minimum working capital ratio of 1.10:1.

As at May 31, 2013, the Association was in compliance with its covenants.

12. DEFERRED REVENUE

Deferred revenue represents sponsorships, grant revenue and medical insurance premiums received in the current year for use in subsequent years.

13. MEDICAL INSURANCE FUND

The Association collects premiums from students each year. Any premiums not required to be paid out for insurance coverage are maintained by the Association to cover future rate increases. The Association reflected the Student Medical Insurance Fund as a liability in prior years. During the year ended May 31, 2011, the Association changed its policy to reflect this as a separate fund, reflecting excess (deficiency) of revenues over expenses.

BCIT STUDENT ASSOCIATION
Notes to Financial Statements
Year Ended May 31, 2013

14. PUB REVENUE

	2013	2012
Pub sales	\$ 843,524	\$ 860,034
Cost of sales	(317,795)	(313,282)
	\$ 525,729	\$ 546,752

15. RETAIL STORE REVENUE

	2013	2012
Retail store sales	\$ 1,847,700	\$ 1,851,563
Cost of sales	(1,049,350)	(1,101,504)
	\$ 798,350	\$ 750,059

16. CHILDCARE REVENUE

	2013	2012
Childcare fees	\$ 30,533	\$ 0
Childcare grant	3,619	0
	\$ 34,152	\$ 0

17. MISCELLANEOUS

	2013	2012
Advertising and media	\$ 17,914	\$ 13,426
Cost recovery	980	3,068
Fundraising	2,579	2,362
Other	25,430	19,670
Room and equipment rental	16,872	22,580
Ticket sales	9,261	1,233
	\$ 73,036	\$ 62,339

18. IMAGE CENTRE REVENUE

	2013	2012
Image centre sales	\$ 73,935	\$ 75,046
Cost of sales	(14,858)	(13,896)
	\$ 59,077	\$ 61,150

BCIT STUDENT ASSOCIATION

Notes to Financial Statements

Year Ended May 31, 2013

19. ACTIVITIES - STUDENT CLUBS

	2013	2012
Cost recovery	\$ 4,077	\$ 7,268
Fundraising	5,969	16,275
Grants	19,500	23,816
Miscellaneous	2,473	1,227
Sponsorships	40,035	51,222
Student membership club fees	20,416	22,689
Ticket sales	15,369	8,806
	<u>\$ 107,839</u>	<u>\$ 131,303</u>

20. PUBLICATIONS

	2013	2012
Advertising and media	\$ 8,297	\$ 11,113
Handbook and newspaper advertising	27,458	24,777
Miscellaneous	500	0
	<u>\$ 36,255</u>	<u>\$ 35,890</u>

21. COMMITMENTS

The Association's premises are leased under an agreement with BCIT for office and retail space in the Campus Centre. Upon expiration of the lease agreement on July 26, 2025, the lease will automatically renew for an additional five-year period.

The Association has entered into lease agreements with Roynat Inc. for equipment.

Future minimum lease payments for the next five years and thereafter are as follows:

	Premises	Equipment	Total
2014	\$ 163,360	\$ 22,065	\$ 185,425
2015	163,360	22,065	185,425
2016	163,360	17,495	180,855
2017	163,360	0	163,360
2018	163,360	0	163,360
Thereafter	1,184,360	0	1,184,360
	<u>\$ 2,001,160</u>	<u>\$ 61,625</u>	<u>\$ 2,062,785</u>

22. CONTINGENCY

The Association has outstanding a letter of guarantee in the amount of \$5,000 (May 31, 2012 - \$10,000; June 30, 2011 - \$10,000) issued by Vancouver City Savings Credit Union in favour of the BC Liquor Distribution Branch.

BCIT STUDENT ASSOCIATION
Notes to Financial Statements
Year Ended May 31, 2013

23. PENSION PLAN

Employees at the Association can choose to be members of the defined contribution pension plan. Employees who participate in the pension plan must contribute 6% of their earnings. The Association must match the contribution of 6% of contributory earnings to this plan. Subject to the employee not completing two years of employment, the amount paid to date by the Association for that employee is refunded to the Association.

During the year, the Association's pension expense was \$61,297 (2012 - \$53,091).