



UNIVERSITY OF TORONTO STUDENTS' UNION

FINANCIAL STATEMENTS

APRIL 30, 2020

UNIVERSITY OF TORONTO STUDENTS' UNION

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INDEPENDENT AUDITOR'S REPORT

To the Members of University of Toronto Students' Union

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of University of Toronto Students' Union, which comprise the statement of financial position, 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 and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of University of Toronto Students' Union as at April 30, 2020, and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis of 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 Entity 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 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 misstatements, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditor's Responsibility 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 Entity'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 Entity'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 Entity 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.


December 22, 2020

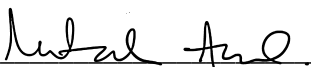
Sloan Partners LLP
Chartered Professional Accountants
Licensed Public Accountants

**UNIVERSITY OF TORONTO STUDENTS' UNION
STATEMENT OF FINANCIAL POSITION**

As at April 30	2020	2019
ASSETS		
Current		
Cash	\$ 3,126,749	\$ 3,034,858
Accounts receivable (note 6)	-	19,172
Inventory (note 5)	10,314	17,217
Prepaid expenses	15,037	16,783
	3,152,100	3,088,030
Restricted TTC term deposit (note 3)	-	555,537
Restricted cash - deferred student fees (note 7)	920,320	1,149,610
Restricted cash - health and dental fees (note 8)	1,893,193	1,783,756
Equipment (note 4)	37,308	23,013
	\$ 6,002,921	\$ 6,599,946
LIABILITIES		
Current		
Accounts payable and accrued liabilities	\$ 440,455	\$ 996,340
Government remittances payable	62,266	39,076
	502,721	1,035,416
Restricted student fees (note 7)	920,320	1,149,610
Restricted health and dental fees (note 8)	1,893,193	1,783,756
	3,316,234	3,968,782
NET ASSETS	2,686,687	2,631,164
	\$ 6,002,921	\$ 6,599,946

Approved by:

Director:  Dermot O'Halloran
Vice-President Operations

Director:  Muntaka Ahmed
President

**UNIVERSITY OF TORONTO STUDENTS' UNION
STATEMENT OF CHANGES IN NET ASSETS**

Year ended April 30	2020	2019
NET ASSETS CONSIST OF:		
Balance, beginning of the year	\$ 2,631,164	\$ 2,309,530
Excess of revenues over expenses	55,523	321,634
NET ASSETS, end of the year	<u>\$ 2,686,687</u>	<u>\$ 2,631,164</u>

UNIVERSITY OF TORONTO STUDENTS' UNION
STATEMENT OF OPERATIONS

Year ended April 30	2020	2019
REVENUE		
General student fees	\$ 1,992,671	\$ 1,920,359
Advertising and sponsorship	230,069	284,015
Interest income	144,005	86,783
TTC and other ticket sales	22,789	110,707
	<u>2,389,534</u>	<u>2,401,864</u>
EXPENSES		
Salaries and employee benefits (note 9)	1,430,854	975,117
Clubs and subsidies	385,464	251,775
Office and general	178,423	298,143
Orientation	177,088	254,302
Meetings and conventions	40,473	35,834
Handbook	28,783	28,450
Cost of goods sold	26,817	113,293
Interest and bank charges	14,339	14,710
Equipment expenses	13,274	25,786
Elections	12,209	20,193
Campaigns	10,713	42,497
Amortization	15,574	20,130
	<u>2,334,011</u>	<u>2,080,230</u>
SURPLUS FROM OPERATIONS	<u>55,523</u>	<u>321,634</u>
RESTRICTED FEE REVENUES		
Member's health and dental plan fees (note 8)	11,898,233	15,156,512
Restricted student fees recognized (note 7)	1,804,741	3,196,529
	<u>13,702,974</u>	<u>18,353,041</u>
RESTRICTED FEE DISBURSEMENTS		
Health and dental plan disbursements (note 8)	11,898,233	15,156,512
Restricted student fee disbursements (note 7)	1,804,741	3,196,529
	<u>13,702,974</u>	<u>18,353,041</u>
EXCESS OF REVENUES OVER EXPENSES FOR THE YEAR	<u>\$ 55,523</u>	<u>\$ 321,634</u>

**UNIVERSITY OF TORONTO STUDENTS' UNION
STATEMENT OF CASH FLOWS**

Year ended April 30	2020	2019
OPERATING		
Excess of revenues over expenses	\$ 55,523	\$ 321,634
Item not affecting cash:		
Amortization	15,574	20,130
Changes in non-cash working capital:		
Restricted TTC term deposit	555,537	(6,438)
Restricted cash - human resources and legal contingency	-	50,000
Accounts receivable	19,172	37,081
Inventory	6,903	35,733
Prepaid expenses	1,746	(4,609)
Accounts payable and accrued liabilities	(555,885)	918,798
Government remittances	23,190	53,606
	<u>121,760</u>	<u>1,425,935</u>
INVESTING		
Purchase of equipment	<u>(29,869)</u>	<u>(3,289)</u>
NET INCREASE IN CASH	91,891	1,422,646
CASH, beginning of the year	<u>3,034,858</u>	<u>1,612,212</u>
CASH, end of the year	<u><u>\$ 3,126,749</u></u>	<u><u>\$ 3,034,858</u></u>

UNIVERSITY OF TORONTO STUDENTS' UNION
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2020

PURPOSE OF THE ORGANIZATION

The Students' Administrative Council of the University of Toronto, operating as University of Toronto Students' Union (UTSU or the Organization), was incorporated on April 20, 1977 under the Canada Business Corporations Act as a non-profit corporation without share capital for the purpose of improving the quality of campus life, services and education for the University of Toronto student body and to represent the member students in areas of common interest. Financial operations of the Organization are administered by an executive committee subject to approval by the Board of Directors. As the union's revenues are derived from the University of Toronto student body, it is economically dependent upon the University. Pursuant to the Canadian Income Tax Act, UTSU is classified as a non-profit organization and, as such, is not subject to income tax.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Part III of the CPA Canada Handbook - Accounting Standards for Not-For-Profit Organizations.

Use of Estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the recognition, measurement and disclosure of amounts reported in the financial statements and accompanying notes. The reported amounts and note disclosures are determined using management's best estimates based on assumptions that reflect the most probable set of economic conditions and planned courses of action. Actual results could differ from these estimates. These estimates relate primarily to the estimated health and dental plan surplus and reserves which affect health and dental plan fees and disbursements. Actual results may vary from these estimates.

These financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below.

Donated Materials and Services

The Organization does not record the value of donated items and services, such as the provision of space used by the UTSU offices, because of the difficulty in determining their fair market value.

UNIVERSITY OF TORONTO STUDENTS' UNION
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equipment

Equipment are stated at cost less accumulated amortization. Amortization is provided at rates intended to write-off assets over their estimated productive lives as follows:

	<u>Rate</u>	<u>Method</u>
Computer equipment	55%	declining balance
Office equipment	20%	declining balance
Furniture and fixtures	20%	declining balance

The Organization regularly reviews its equipment to eliminate obsolete items and fully amortize items no longer in service.

Revenue Recognition

The collection and amount of non-academic incidental fees charged to students in Ontario is regulated by the Ontario Ministry of Training, Colleges and Universities through its Ontario Operating Funds Distribution Manual and Compulsory Ancillary Fee Policy Guidelines. Pursuant to these, a change to or introduction of a fee must be done in accordance with a long-term protocol established between the university and its student government. The University of Toronto and UTSU established theirs in October 1996. This protocol requires a referendum of the student body for significant changes to or the introduction of additional fees. The general 'Society' component of the fee is recognized under revenues as General student fees upon receipt from the University of Toronto's Financial Services Office.

Sales and advertising revenues are recognized, respectively, at the point of sale or when the advertising has been provided. Interest income is recognized on an accrual basis

Deferral Accounting

All other components of the student fee, which have been collected from students pursuant to referendum and for a specific purpose, are deferred and shown as a liability upon initial receipt from the university. They are recognized as revenues when the related expense is incurred or disbursement is made. Some components of the fee are refundable at the request of the students, and the refunds are included in payments and distributions. Although the Members' health and dental plan fees are shown separately they are recognized using the same deferral method. The administrative and general expenses charged to the Health and Dental Fund includes and allocation of wages based on the time spent by staff.

UNIVERSITY OF TORONTO STUDENTS' UNION
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2020

2. CAPITAL MANAGEMENT

When managing capital, the Organization's objectives are to ensure that the entity continues as a going concern as well as to maintain optimal benefits to its stakeholders. Management adjusts the capital structure as necessary, in order to support the operational requirements of the organization. The Board of Directors does not establish quantitative return on capital criteria for management but rather relies on the expertise of management to sustain future development of the organization. The Organization defines capital to include its working capital position and the net assets of the organization.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Organization, is appropriate.

There were no changes in the Organization's approach to capital management during the year ended April 30, 2020.

3. RESTRICTED TTC TERM DEPOSIT

Term deposit bearing interest at 2%, matured on May 5, 2020. It was security for the Letter of Credit issued in favor of the Toronto Transit Commission (TTC) described in note 11. This security was not renewed in the 2020 fiscal year and the principal amount was transferred to unrestricted assets and used for current operations.

4. EQUIPMENT

	Cost	Accumulated Amortization	2020 Net Book Value	2019 Net Book Value
Computer equipment	180,400	150,043	30,357	15,745
Office equipment	50,861	46,063	4,798	5,312
Furniture and fixtures	75,768	73,615	2,153	1,956
	\$ 307,029	\$ 269,721	\$ 37,308	\$ 23,013

5. INVENTORY

Inventory, which mainly consists of tickets for Cineplex, Ripleys Aquarium of Canada and SPC cards is valued at the lower of cost, measured on first-in-first out basis and net realizable value.

UNIVERSITY OF TORONTO STUDENTS' UNION
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2020

6. ACCOUNTS RECEIVABLE

Accounts receivable includes an allowance for doubtful accounts of \$nil (2019 - \$nil).

7. RESTRICTED STUDENT FEES

Changes in the restricted student fee balances created by referendum [R] of the student body or through contractual agreements [C] with the recipients.

	2020	2019
Bike Chain (formerly BikeShare) [R]		
Beginning balance	\$ -	\$ -
Net student fee levies	51,839	67,281
Payments and distributions	(51,839)	(67,281)
Ending balance	<u>\$ -</u>	<u>\$ -</u>
Blue Sky Solar Racing Car Team [R]		
Beginning balance	\$ -	\$ -
Net student fee levies	8,449	13,905
Payments and distributions	(8,449)	(13,905)
Ending balance	<u>\$ -</u>	<u>\$ -</u>
Canadian Federation of Students [R]		
Beginning balance	\$ -	\$ -
Net student fee levies	532,893	860,165
Payments and distributions	(498,277)	(860,165)
Ending balance	<u>\$ 34,616</u>	<u>\$ -</u>
Cinema Studies Students' Union [R]		
Beginning balance	\$ -	\$ 383
Net student fee levies	16,196	19,144
Payments and distributions	(16,196)	(19,527)
Ending balance	<u>\$ -</u>	<u>\$ -</u>
Ontario Public Interest Research Group [R]		
Beginning balance	\$ -	\$ -
Net student fee levies	33,172	38,289
Payments and distributions	(33,172)	(38,289)
Ending balance	<u>\$ -</u>	<u>\$ -</u>

UNIVERSITY OF TORONTO STUDENTS' UNION
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2020

7. RESTRICTED STUDENT FEES (CONTINUED)

Foster Children Program [R]

Beginning balance	\$ -	\$ -
Net student fee levies	3,308	5,348
Payments and distributions	(3,308)	(5,348)
Ending balance	<u>\$ -</u>	<u>\$ -</u>

Downtown Legal Services [R]

Beginning balance	\$ -	\$ -
Net student fee levies	224,186	279,109
Payments and distributions	(224,186)	(279,109)
Ending balance	<u>\$ -</u>	<u>\$ -</u>

Sex Education & Peer Counselling Centre [R]

Beginning balance	\$ -	\$ -
Net student fee levies	16,660	19,144
Payments and distributions	(16,660)	(19,144)
Ending balance	<u>\$ -</u>	<u>\$ -</u>

UTM Sexual Education Centre [R]

Beginning balance	\$ 10,653	\$ 10,653
Net student fee levies	-	30,387
Payments and distributions	(10,653)	(30,387)
Ending balance	<u>\$ -</u>	<u>\$ 10,653</u>

Students for Barrier Free Access [R]

Beginning balance	\$ -	\$ -
Net student fee levies	66,347	76,577
Payments and distributions	(66,347)	(76,577)
Ending balance	<u>\$ -</u>	<u>\$ -</u>

University of Toronto Environmental Resource Network [R]

Beginning balance	\$ -	\$ -
Net student fee levies	16,887	26,741
Payments and distributions	(16,887)	(26,741)
Ending balance	<u>\$ -</u>	<u>\$ -</u>

UNIVERSITY OF TORONTO STUDENTS' UNION
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2020

7. RESTRICTED STUDENT FEES (CONTINUED)

Health Initiatives in Developing Countries [R]

Beginning balance	\$ -	\$ -
Net student fee levies	16,704	26,741
Payments and distributions	(16,704)	(26,741)
Ending balance	<u>\$ -</u>	<u>\$ -</u>

Women's Centre - St George [R]

Beginning balance	\$ -	\$ -
Net student fee levies	98,764	124,321
Payments and distributions	(98,764)	(124,321)
Ending balance	<u>\$ -</u>	<u>\$ -</u>

UTM Women's Centre [R]

Beginning balance	\$ -	\$ 50,296
Net student fee levies	-	34,782
Payments and distributions	-	(85,078)
Ending balance	<u>\$ -</u>	<u>\$ -</u>

Day Care Subsidy [R]

Beginning balance	\$ 50,270	\$ 35,865
Net student fee levies	32,883	38,289
Payments and distributions	(46,402)	(23,884)
Ending balance	<u>\$ 36,751</u>	<u>\$ 50,270</u>

Hot Yam (formerly Radical Roots) [R]

Beginning balance	\$ -	\$ -
Net student fee levies	10,119	1,721
Payments and distributions	(10,119)	(1,721)
Ending balance	<u>\$ -</u>	<u>\$ -</u>

Mississauga Students' Union - Membership Fee [C]

Beginning balance	\$ -	\$ (7,297)
Net student fee levies	-	523,874
Payments and distributions	-	(516,577)
Ending balance	<u>\$ -</u>	<u>\$ -</u>

UNIVERSITY OF TORONTO STUDENTS' UNION
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2020

7. RESTRICTED STUDENT FEES (CONTINUED)

Mississauga Students' Union - Day Care Subsidy [R]

Beginning balance	-	\$ -
Net student fee levies	-	15,194
Payments and distributions	-	(15,194)
Ending balance	<u>\$ -</u>	<u>\$ -</u>

Mississauga Students' Union - Orientation [C]

Beginning balance	\$ -	\$ (972)
Net student fee levies	-	12,830
Payments and distributions	-	(11,858)
Ending balance	<u>\$ -</u>	<u>\$ -</u>

Mississauga Students' Union - Student Refugee Program [R]

Beginning balance	\$ -	\$ -
Net student fee levies	-	21,850
Payments and distributions	-	(21,850)
Ending balance	<u>\$ -</u>	<u>\$ -</u>

Wheelchair Accessibility Projects [R]

Beginning balance	\$ 1,035,852	\$ 1,690,178
Net student fee levies	77,340	114,204
Payments and distributions	(302,922)	(768,530)
Ending balance	<u>\$ 810,270</u>	<u>\$ 1,035,852</u>

Student Refugee Program [R]

Beginning balance	\$ 52,835	\$ 55,534
Net student fee levies	58,765	55,090
Payments and distributions	(72,917)	(57,789)
Ending balance	<u>\$ 38,683</u>	<u>\$ 52,835</u>

Orientation [R]

Beginning balance	\$ -	\$ -
Net student fee levies	33,361	-
Payments and distributions	(33,361)	-
Ending balance	<u>\$ -</u>	<u>\$ -</u>

UNIVERSITY OF TORONTO STUDENTS' UNION
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2020

7. RESTRICTED STUDENT FEES (CONTINUED)

Engineering Society [R]

Beginning balance	\$ -	\$ -
Net student fee levies	93,192	81,244
Payments and distributions	(93,192)	(81,244)
Ending balance	<u>\$ -</u>	<u>\$ -</u>

LGBTout [R]

Beginning balance	\$ -	\$ (12)
Net student fee levies	16,387	25,281
Payments and distributions	(16,387)	(25,269)
Ending balance	<u>\$ -</u>	<u>\$ -</u>

University of Toronto Aerospace Team [R]

Beginning balance	\$ -	\$ -
Net student fee levies	167,999	-
Payments and distributions	(167,999)	-
Ending balance	<u>\$ -</u>	<u>\$ -</u>

Summary

Beginning balance	\$ 1,149,610	\$ 1,834,628
Net student fee levies	1,575,451	2,511,511
Payments and distributions	(1,804,741)	(3,196,529)
Ending balance	<u>\$ 920,320</u>	<u>\$ 1,149,610</u>

UNIVERSITY OF TORONTO STUDENTS' UNION
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2020

8. DEFERRED HEALTH AND DENTAL FEES

The group health and dental insurance plan fees are also accounted for using the deferred method, consistent with the treatment of the restricted fees listed above. The health and dental plan is shown here separately due to the nature and magnitude of the plan.

	<u>2020</u>	<u>2019</u>
Beginning balance	\$ 1,783,756	\$ 2,330,459
Health and dental fees collected	13,656,295	16,984,415
Refunds issued to students	(1,656,622)	(2,403,181)
Interest income	7,997	28,575
	12,007,670	14,609,809
Payments remitted to insurer and broker	(11,549,745)	(13,221,051)
Mississauga administration fee	-	(25,000)
Transfer to UTMSU [1]	-	(699,138)
Administrative and general expenses	(348,488)	(1,211,323)
Total disbursements and fees recognized as revenue	(11,898,233)	(15,156,512)
	\$ 1,893,193	\$ 1,783,756

[1] Transfer relates to 30% of the Health and Dental Plan Reserve transferred to UTMSU as part of successful separation and termination votes by both UTSU and UTMSU general meeting in fiscal year 2019.

9. WAGES AND BENEFITS

	<u>2020</u>	<u>2019</u>
<i>Wages and benefits by type</i>		
Executive	\$ 457,215	\$ 272,559
Full-time	767,388	473,702
Part-time	206,251	228,856
	\$ 1,430,854	\$ 975,117

UNIVERSITY OF TORONTO STUDENTS' UNION
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2020

10. COMMITMENTS

UTSU engages its insurer for the health and dental plan for a one-year period beginning each year in September. UTSU had an agreement with Studentcare for coverage to August 31, 2019, and subsequently also entered into an agreement with Studentcare for coverage to August 31, 2021. Accounts payable and accrued liabilities include \$nil (2019 - \$810,000) amount payable for health and dental plan premiums.

UTSU will be moving to a new location, 230 College St, Toronto ON which is anticipated to be in January 2021.

11. CONTINGENCY

Management is not aware of any outstanding claims or litigation. Accordingly, there is no current provision for loss recognized in these financial statements. From time to time, the organization may be subject to litigation and will defend itself vigorously. Upon recognition of any future contingent liability, management will accrue an appropriate amount.

12. FINANCIAL INSTRUMENTS

Financial instruments classified as loans and receivables, and financial liabilities held for purposes other than for trading, are carried at amortized cost using the effective interest method. Interest income and expenses are included in income for the year. This classification includes accounts receivable, the Health and Dental surplus, Student Commons levy in trust, and accounts payable.

Financial assets classified as available for sale are recorded at fair value at each balance sheet date and any change in fair value is recognized in other comprehensive income in the period in which these changes occur. Upon de-recognition, any accrued gains or losses are recognized in income for the year. No instruments exist in this category.

Fair Value - The carrying value of the Organization's cash, accounts receivable, the health and dental plan surplus, the student commons trust balance, the restricted term deposit, and the accounts payable approximate their fair value due to their underlying current nature and their short maturity periods.

Credit risk - Credit risk is mitigated since effectively all of the Organization's receivables are due from the University of Toronto and other parties related to the university.

Interest rate risk - The Organization's interest income is tied to the prime rate and therefore subject to fluctuation as determined by the financial institution in response to changes in the global financial environment.

UNIVERSITY OF TORONTO STUDENTS' UNION
NOTES TO THE FINANCIAL STATEMENTS
APRIL 30, 2020

13. IMPACT OF COVID-19

On March 11, 2020, the World Health Organization categorized COVID-19 as a pandemic. The potential economic effects within the Organization's environment and in the global markets due to the possible disruption in supply chains, and measures being introduced at various levels of government to curtail the spread of the virus (such as travel restrictions, closures of non-essential municipal and private operations, restrictions in on-site delivery of educational services, imposition of quarantines and physical distancing) could have a material impact on the Organization's operations.

The Organization is closely monitoring the situation. The overall effect of these events on the Organization and its operations is too uncertain to be estimated at this time. The impacts will be accounted for when they are known and may be assessed.

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