

FINANCIAL STATEMENTS

**BRITISH COLUMBIA FEDERATION
OF STUDENTS**

August 31, 2025

INDEPENDENT AUDITORS' REPORT

To the Members of
British Columbia Federation of Students

Opinion

We have audited the financial statements of British Columbia Federation of Students (the Federation), which comprise the statement of financial position as at August 31, 2025, 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 Federation as at August 31, 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 Federation 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 audit 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 Federation'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 Federation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Federation'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:



INDEPENDENT AUDITORS' REPORT (CONT'D)

- 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 Federation'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 Federation'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 Federation 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.

Report on Other Legal and Regulatory Requirements

As required by the British Columbia Societies Act, we report that the accounting principles used in these financial statements have been applied on a basis consistent with that of the preceding year.

Tompkins Wozny LLP

Vancouver, Canada
January 30, 2025

Chartered Professional Accountants



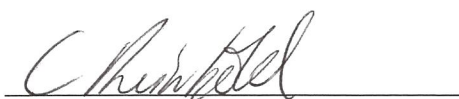
STATEMENT OF FINANCIAL POSITION

As at August 31

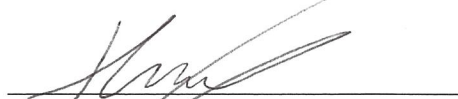
	2025	2024
	\$	\$
ASSETS		
Current		
Cash and cash equivalents	3,460,037	3,101,623
Accounts receivable [note 4]	540,729	910,502
Prepaid expenses	317,153	370,584
	4,317,919	4,382,709
Long-term investments [note 3]	2,732,914	2,335,269
Capital assets [note 5]	1,208,959	1,219,378
	8,259,792	7,937,356
LIABILITIES		
Current		
Accounts payable and accruals [note 6]	95,896	194,665
Deferred revenue	254,721	198,267
	350,617	392,932
NET ASSETS		
Invested in capital assets	1,208,959	1,219,378
Internally restricted [note 7]	711,451	711,451
Unrestricted [note 8]	5,988,765	5,613,595
	7,909,175	7,544,424
	8,259,792	7,937,356

See accompanying notes to the financial statements

On behalf of the Executive Committee:



Executive



Executive

STATEMENT OF CHANGES IN NET ASSETS

Year ended August 31

	Invested in Capital Assets \$	Internally Restricted			Unrestricted \$	Total \$
		Accessibility Fund \$	Capital Fund \$	CFS Legal Defence Fund \$		
		[Note 7]	[Note 7]	[Note 7]		
2025						
Balance, beginning of year	1,219,378	311,451	300,000	100,000	5,613,595	7,544,424
Excess of revenue for the year	—	—	—	—	364,751	364,751
Purchase of capital assets	22,367	—	—	—	(22,367)	—
Amortization	(32,786)	—	—	—	32,786	—
Balance, end of year	1,208,959	311,451	300,000	100,000	5,988,765	7,909,175
2024						
Balance, beginning of year	1,327,009	311,451	300,000	100,000	5,008,621	7,047,081
Excess of revenue for the year	—	—	—	—	497,343	497,343
Purchase of capital assets	5,501	—	—	—	(5,501)	—
Amortization	(113,132)	—	—	—	113,132	—
Balance, end of year	1,219,378	311,451	300,000	100,000	5,613,595	7,544,424

See accompanying notes to the financial statements

British Columbia Federation of Students

STATEMENT OF OPERATIONS

Year ended August 31

	2025	2024
	\$	\$
REVENUE		
Membership fees <i>[note 9]</i>	1,870,773	1,897,940
Investment income, net of unrealized market adjustments <i>[note 3]</i>	223,634	385,361
Health and dental consortium fees, net of expenses	45,593	36,531
Services	20,096	9,685
	2,160,096	2,329,517
EXPENSES		
Wages, stipends and benefits <i>[note 10 and 12]</i>	795,908	717,881
Field work and membership development	295,237	175,958
Campaigns <i>[note 12]</i>	193,620	221,979
General meetings, net of delegate fees	191,723	177,689
Executive meetings	143,134	112,453
Membership development materials, net of recoveries	71,374	73,692
Premises expense	68,450	73,360
Mobile application, net of recoveries	41,641	31,946
Office	37,975	59,146
Amortization	32,786	113,132
Professional fees	29,191	48,418
Handbook, net of recoveries	20,026	14,581
Communications	13,160	11,939
	1,934,225	1,832,174
Excess of revenue before other item:	225,871	497,343
Settlement of historic receivables <i>[note 13]</i>	138,880	—
Excess of revenue for the year	364,751	497,343

See accompanying notes to the financial statements

STATEMENT OF CASH FLOWS

Year ended August 31

	2025	2024
	\$	\$
OPERATING ACTIVITIES		
Excess of revenue for the year	364,751	497,343
Items not affecting cash		
Amortization of capital assets	32,786	113,132
Unrealized gain on long-term investments	(109,368)	(188,566)
Changes in other non-cash working capital items		
Accounts receivable	369,773	(313,035)
Prepaid expenses	53,431	(118,502)
Accounts payable and accruals	(98,769)	84,870
Deferred revenue	56,454	53,926
Cash provided by operating activities	669,058	129,168
INVESTING ACTIVITIES		
Purchase of capital assets	(22,367)	(5,501)
Purchase of long-term investments, net	(288,277)	(90,188)
Cash used in investing activities	(310,644)	(95,689)
Increase in cash during the year	358,414	33,479
Cash and cash equivalents, beginning of year	3,101,623	3,068,144
Cash and cash equivalents, end of year	3,460,037	3,101,623

See accompanying notes to the financial statements

NOTES TO FINANCIAL STATEMENTS

August 31, 2025

1. NATURE OF OPERATIONS

The British Columbia Federation of Students (the "Federation") is a registered not-for-profit Federation incorporated in the Province of British Columbia. The purpose of the Federation is to organize students on a provincial level, on a democratic, co-operative basis, to advance students' interests; to facilitate co-operation among students in organizing services which supplement and enhance the learning experience; and to achieve the goal of a system of post-secondary education which is accessible to all, of high quality, and which recognizes the legitimacy of student representation and the validity of students' rights.

2. SIGNIFICANT ACCOUNTING POLICIES

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

Use of Estimates

The preparation of financial statements in conformity with Canadian ASNPO 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 amounts of revenue and expenses reported during the year. Significant areas requiring the use of management estimates relate to membership fee revenue and the determination of net recoverable value of assets, in particular as it relates to useful lives of capital assets. Actual results could differ from these estimates.

Revenue Recognition

The Federation 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 they are received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Membership fees are recognized in the academic term to which the fees apply.

All other revenue is recognized when received or receivable once collection is reasonably assured.

Measurement of Financial Instruments

The Federation initially measures its financial assets and financial liabilities at fair value. The Federation 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.

Financial assets measured at amortized cost include cash and accounts receivable. Financial assets measured at cost are tested for impairment when there are indicators of impairment.

NOTES TO FINANCIAL STATEMENTS

August 31, 2025

2. SIGNIFICANT ACCOUNTING POLICIES (CONTD)

Measurement of Financial Instruments (Cont'd)

Financial assets measured at fair value include long-term investments.

Financial liabilities measured at amortized cost include accounts payable and accruals.

Cash and Cash Equivalents

Cash is defined as cash on hand, term deposits, and cash on deposit, net of cheques issued and outstanding at the year-end.

Long-Term Investments

These investments are recorded at their fair market value. Income, gains, losses, and changes in fair market value are recorded as investment income.

Accounts Receivable

Accounts receivable are shown net of management's best estimate of uncollectible amounts.

Capital Assets

Capital assets are written off on a straight-line basis over the following estimated useful lives:

- Building 35 years
- Office equipment and computers 3 years
- Printer 5 years
- Website 3 years
- Skills Online Module program 5 years
- Discount application program 5 years

Amortization is not recorded in the year of disposal.

Deferred Revenue

Deferred revenue represents memberships fees collected in advance for the upcoming academic term, as well as fees received for future events or services. These amounts are deferred until the academic term has commenced or at the time the services are rendered.

3. LONG-TERM INVESTMENTS

The Federation's investments, which are recorded at fair market value, are held at a Canadian chartered financial institution and include treasury bills, fixed income, and equities. During the year, net investment income increased by \$109,368 [2024 - increase of \$188,528] as a result of the change in the market values of long-term investments.

NOTES TO FINANCIAL STATEMENTS

August 31, 2025

3. LONG-TERM INVESTMENTS (CONT'D)

	Cost \$	Market Value \$
Long-term investments [2024 - \$2,027,917 cost; \$2,335,269 market value]	2,316,005	2,732,914

4. ACCOUNTS RECEIVABLE

	2025 \$	2024 \$
Due from Locals		
Membership fees	369,862	790,490
Other - Local 21	50,000	50,000
Other	120,867	70,012
Allowance for doubtful accounts	—	—
	540,729	910,502

5. CAPITAL ASSETS

	Cost \$	Accumulated Amortization \$	Net Book Value \$
2025			
Land - 245 East Columbia	775,028	—	775,028
Building - 245 East Columbia	504,221	113,230	390,991
Office equipment and computers	124,727	107,577	17,150
Printer	34,310	34,310	—
Website	59,905	59,905	—
Discount application program	381,889	372,779	9,110
Skills Online Module program	40,694	24,014	16,680
	1,920,774	711,815	1,208,959
2024			
Land - 245 East Columbia	775,028	—	775,028
Building - 245 East Columbia	504,221	98,748	405,473
Office equipment and computers	115,660	100,187	15,473
Printer	34,310	34,310	—
Website	59,905	58,838	1,067
Discount application program	371,389	369,970	1,419
Skills Online Module program	37,894	16,976	20,918
	1,898,407	679,029	1,219,378

NOTES TO FINANCIAL STATEMENTS

August 31, 2025

6. ACCOUNTS PAYABLE AND ACCRUALS

	2025	2024
	\$	\$
Operations	44,063	135,569
Wages and vacation payable	51,833	59,096
	95,896	194,665

7. INTERNALLY RESTRICTED FUNDS

a) Accessibility Fund

The Accessibility Fund was established to enhance the accessibility of the Federation, and the services provided by the Federation, to people with disabilities. Disbursements from the fund are at the discretion of the Federation's Executive Committee subject to the purposes of the Fund.

b) Capital Fund

The Capital Fund was established for the purchase, or long-term leasing, of property for the Federation's operations. Since the purchase of the office space, the Federation has maintained the capital fund to provide resources for the maintenance, renovation and repair of this space. Disbursements from the fund shall be approved by the Executive Committee.

c) CFS Legal Defence Fund

The CFS Legal Defence Fund was established to help defray the legal costs of BC member local unions that may arise from exercising their rights under the CFS' bylaws. Disbursement from the fund shall be approved by the Executive Committee.

8. UNRESTRICTED NET ASSETS

The Federation is economically dependent on membership fees to sustain its operation, and the collection of these fees directly relies on mandatory dues collection rights provided to the Federation and its member local unions. The Federation maintains unrestricted net assets to serve as contingency that would ensure stable and ongoing operations should membership fee collection regulations be changed to the Federation's disadvantage.

NOTES TO FINANCIAL STATEMENTS

August 31, 2025

9. MEMBERSHIP FEE REVENUE

	2025	2024
	\$	\$
Local 1	99,927	100,957
Local 2	45,945	42,109
Local 4	95,924	91,391
Local 5	189,682	213,662
Local 6	365,479	352,027
Local 10	61,680	55,300
Local 12	246,529	240,538
Local 13	221,879	166,668
Local 14	29,664	29,677
Local 15	52,230	53,103
Local 16	225,123	282,645
Local 17	223,697	219,025
Local 20	22,185	24,461
Local 21	21,616	26,377
	1,901,560	1,897,940
Repayment of Local 16 membership fees	(30,787)	—
	1,870,773	1,897,940

During the year, it was discovered that \$30,787 of 2023/24 membership fees was overpaid by Local 16. Both parties have acknowledged this discrepancy and the amount has been repaid in the year.

10. WAGES, STIPENDS AND BENEFITS

Wages, stipends and benefits include stipends paid to Executive Committee members in the amount of \$201,448 [2024 - \$199,015].

The amount above includes wages, stipends and benefits made to and on the behalf of the following elected personnel during the year:

	2025	2024
	\$	\$
Chairperson	82,545	80,218
Directors-at-Large	33,283	32,524
Indigenous Students' Representative	8,321	8,123
Secretary-Treasurer	77,299	78,150
	201,448	199,015

NOTES TO FINANCIAL STATEMENTS

August 31, 2025

11. FINANCIAL INSTRUMENTS

The Federation is exposed to various risks through its financial instruments. The following analysis presents the Federation's exposures to the following risks as at August 31, 2025.

Credit Risk

Credit risk is the risk that the Federation will incur a loss due to the failure by its debtors to meet their contractual obligations. The Federation is exposed to credit risk with respect to its cash, short-term investments and accounts receivable. The Federation limits its exposure to credit risk by placing its cash in bank accounts with a credit union.

The Federation assesses, on a continuous basis, accounts receivable on the basis of amounts it is virtually certain to receive and short-term investments are invested with a Canadian financial institution.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Federation is exposed to interest rate risk on its cash and equivalents which are invested in term deposits and the fixed income component of the long term investments.

Liquidity Risk

Liquidity risk is the risk that the Federation will not be able to meet its cash requirements or fund obligations as they become due. The Federation maintains adequate levels of working capital by preparing budgets to ensure all its obligations can be met when they fall due.

Other Price Risk

Other price risk is associated with the equity shares within the long term investments. The value will change with changes to the quoted price whether due to market conditions or company specific events.

12. CONTRACTOR REMUNERATION AND WAGES AND BENEFITS

Pursuant to the British Columbia Societies Act, the Federation is required to disclose contractor fees and wages and benefits paid to employees who are paid \$75,000 or more during the fiscal year.

Wages, stipends and benefits expense includes \$552,349 [2024 - \$472,983] paid to five [2024 - four] employees.

Campaigns expense includes \$101,850 [2024 - \$92,771] paid to one [2024 - one contractor for digital advertising and other services] contractor for creative and advertising services for Access to Education campaign.

NOTES TO FINANCIAL STATEMENTS

August 31, 2025

13. SETTLEMENT OF HISTORIC RECEIVABLES

The Federation and the Canadian Federation of Students ("CFS") have membership fees from Kwantlen Students' Association and Simon Fraser Student Society held in joint trust by respective legal counsels. Upon the expulsion of the Federation from the CFS, the Federation pursued the legal process of releasing funds owed to both parties, which could only occur upon mutual agreement.

During the current fiscal year, the parties completed the reconciliation process and historical amounts owing were settled, resulting in the release of the trust-held funds. The fees of Simon Fraser Student Society were received in this fiscal year. As the settlement exceeded previous estimates, the resulting difference has been recognized as revenue in the current year. The Federation is awaiting the release of the Kwantlen Students' Association fees with the assistance of its legal counsel and anticipates receiving these in the upcoming fiscal year.

