

GSA Carleton Inc.



Financial Statements

For the year ended April 30, 2026



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Financial Statements
For the year ended April 30, 2026

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Independent Auditor's Report

**To the Members of the
GSA Carleton Inc.**

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Opinion

We have audited the financial statements of GSA Carleton Inc. (the "Corporation") which comprise the statement of financial position as at April 30, 2026, and the statements of changes in fund balances, operations, 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 Corporation as at April 30, 2026, 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 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 Corporation 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 Corporation'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 Corporation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Corporation'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.

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

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 Corporation'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 Corporation'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 Corporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Baker Tilly Ottawa LLP

Chartered Professional Accountants, Licensed Public Accountants
September 17, 2026
Ottawa, Ontario

GSA Carleton Inc. Statement of Financial Position

April 30 **2026** **2025**

Assets

Current

Cash	\$ 1,956,406	\$ 2,237,753
Short-term investment	-	15,910
Accounts receivable	528	19,416
Government remittances recoverable	4,216	429
Due from Carleton University	215,992	2,398
Inventory	6,210	6,924
Prepaid expenses	186,699	191,823

2,370,051 **2,474,653**

Tangible capital assets (Note 1)

77,785 **60,513**

Intangible assets (Note 1)

2,190 **2,737**

\$ 2,450,026 **\$ 2,537,903**

Liabilities and Fund Balances

Current

Accounts payable and accrued liabilities	\$ 177,921	\$ 170,719
Government remittances payable	106	110
Deferred revenue	614,240	601,218
Due to designated organizations (Note 2)	260,265	251,986

1,052,532 **1,024,033**

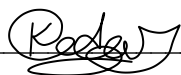
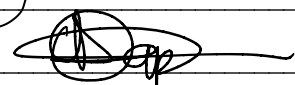
Fund balances

Unrestricted fund:		
General fund	525,485	701,699
Internally restricted fund:		
Invested in tangible and intangible capital assets	79,975	63,250
Externally restricted funds:		
Capital development fund	262,118	247,680
Accessibility fund	411,035	402,613
Unicentre fund	21,806	21,806
Other funds	97,075	76,822

1,397,494 **1,513,870**

\$ 2,450,026 **\$ 2,537,903**

On behalf of the Board:

 Director
 Director

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

GSA Carleton Inc.

Statement of Changes in Fund Balances

For the year ended April 30, 2026

	Balance, beginning of year	Excess of revenue over expenses for the year	Transfer to (from)	Balance, end of year
Unrestricted				
General fund	\$ 701,699	\$ (176,214)	\$ -	\$ 525,485
Internally restricted				
Invested in tangible and intangible capital assets	63,250	(17,004)	33,729	79,975
Externally restricted				
Capital development fund	247,680	34,583	(20,145)	262,118
Accessibility fund	402,613	22,006	(13,584)	411,035
Unicentre fund	21,806	-	-	21,806
Other funds	76,822	20,253	-	97,075
	748,921	76,842	(33,729)	792,034
	\$ 1,513,870	\$ (116,376)	\$ -	\$ 1,397,494

For the year ended April 30, 2025

	Balance, beginning of year	Excess of revenue over expenses for the year	Transfer to (from)	Balance, end of year
Unrestricted				
General fund	\$ 722,466	\$ (18,160)	\$ (2,607)	\$ 701,699
Internally restricted				
Invested in tangible capital assets and intangible assets	77,835	(17,192)	2,607	63,250
Externally restricted				
Capital development fund	213,631	34,049	-	247,680
Accessibility fund	382,627	19,986	-	402,613
Unicentre fund	21,806	-	-	21,806
Other funds	61,802	15,020	-	76,822
	679,866	69,055	-	748,921
	\$ 1,480,167	\$ 33,703	\$ -	\$ 1,513,870

GSA Carleton Inc.
Statement of Operations

For the year ended April 30

2026

2025

	Unrestricted	Externally Restricted	Total	Total
Revenue from business operations				
Sales - Mike's Place	\$ 171,306	\$ -	\$ 171,306	\$ 54,834
Cost of sales - Mike's Place	54,765	-	54,765	18,488
Gross profit - Mike's Place	116,541	-	116,541	36,346
Other revenue				
Student fees	1,271,057	92,676	1,363,733	1,313,236
Student levy - Mike's Place	-	58,618	58,618	-
Health insurance fees	1,697,702	-	1,697,702	1,609,754
Investment and other income	1,018	-	1,018	35,571
	2,969,777	151,294	3,121,071	2,958,561
Total revenue	3,086,318	151,294	3,237,612	2,994,907
Expenses				
Administration	146,891	-	146,891	124,660
Amortization of tangible and intangible capital assets	9,785	-	9,785	11,475
Bad debts	7,781	-	7,781	9,164
Business operations - Mike's Place (Note 3)	306,216	58,618	364,834	186,096
Council	2,325	-	2,325	4,120
Elections	8,458	-	8,458	8,298
General operations	31,265	-	31,265	27,778
Grants and awards	188,408	4,000	192,408	116,936
Health insurance costs	1,702,065	-	1,702,065	1,610,159
Liaison travel	3,808	-	3,808	11,081
Professional fees	160,604	-	160,604	89,159
Salaries and benefits	583,495	2,033	585,528	601,318
Service centre distribution	77,409	-	77,409	110,040
Sexual assault awareness	-	1,224	1,224	78
Student engagement and advocacy	51,026	8,577	59,603	50,842
	3,279,536	74,452	3,353,988	2,961,204
Excess (deficiency) of revenue over expenses for the year	\$ (193,218)	\$ 76,842	\$ (116,376)	\$ 33,703

GSA Carleton Inc.
Statement of Cash Flows

For the year ended April 30	2026	2025
Cash flows from operating activities		
Excess (deficiency) of revenue over expenses for the year	\$ (116,376)	\$ 33,703
Adjustments for		
Amortization of tangible and intangible capital assets	<u>17,004</u>	17,192
	(99,372)	50,895
Changes in non-cash working capital items		
Accounts receivable	18,888	(18,158)
Government remittances recoverable	(3,787)	(429)
Due from Carleton University	(213,594)	(7,217)
Inventory	714	(74)
Prepaid expenses	5,124	(63,205)
Accounts payable and accrued liabilities	7,203	(145,943)
Government remittances payable	(4)	(20,116)
Deferred revenue	13,022	48,844
Due to designated organizations	<u>8,279</u>	19,559
	<u>(263,527)</u>	(135,844)
Cash flows from investing activities		
Redemption of investments (net of purchases and accrued interest)	15,909	(755)
Purchase of tangible capital assets	<u>(33,729)</u>	(2,607)
	<u>(17,820)</u>	(3,362)
Decrease in cash during the year	(281,347)	(139,206)
Cash, beginning of year	<u>2,237,753</u>	2,376,959
Cash, end of year	<u>\$ 1,956,406</u>	\$ 2,237,753

GSA Carleton Inc.

Summary of Significant Accounting Policies

April 30, 2026

Nature of Business

GSA Carleton Inc. (the "Corporation") was incorporated without share capital on June 9, 1981, by Letters Patent pursuant to the Ontario Corporations Act, and is continued under the Ontario Not-for-Profit Corporations Act, 2010, with the objectives of:

- i) representing graduate students at Carleton University;
- ii) developing and maintaining unity, and encouraging cooperation among them;
- iii) developing, monitoring and promoting the social and academic affairs of them; and
- iv) advancing the cause of higher learning.

The Corporation is a non-profit organization as defined in paragraph 149(1)(l) of the Income Tax Act, Canada and, as such, is exempt from income taxes.

Basis of Presentation

These financial statements have been prepared in accordance with Canadian Accounting Standards for Not-for-Profit Organizations which are part of Canadian generally accepted accounting principles and include the following significant accounting policies.

Use of Estimates

The preparation of financial statements in accordance 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 revenue and expenditures during the reporting period. Actual results could differ from management's best estimates and assumptions as additional information becomes available in the future. These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in the period in which they become known.

Significant estimates include assumptions used in estimating the useful lives and related amortization of tangible and intangible capital assets and provisions for certain accrued liabilities.

Financial Instruments

Financial instruments are financial assets or liabilities of the Corporation where, in general, the Corporation has the right to receive cash or another financial asset from another party or the Corporation has the obligation to pay another party cash or other financial assets.

Measurement of arm's length financial instruments

The Corporation initially measures its arm's length financial assets and liabilities at fair value. The Corporation subsequently measures all its arm's length financial assets and financial liabilities at amortized cost except for investments in equity instruments that are quoted in an active market, which are measured at fair value.

GSA Carleton Inc.

Summary of Significant Accounting Policies

April 30, 2026

Financial Instruments (continued)

Measurement of arm's length financial instruments (continued)

Arm's length financial assets and financial liabilities measured at amortized cost include cash, accounts receivable, due from Carleton University, accounts payable and accrued liabilities, and due to designated organizations.

There are no financial assets or financial liabilities measured at fair value.

Impairment

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

Transaction costs

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

Cash

Cash consists of cash on hand and cash held in bank and investment accounts with a chartered bank.

Tangible Capital Assets

Tangible capital assets are stated at cost less accumulated amortization. Amortization is provided over the estimated useful life of the assets at the following annual rates:

Computer equipment	30%	diminishing balance basis
Furniture and equipment	20%	diminishing balance basis
Leasehold improvements	20%	straight-line basis

One-half of the above rates are used in the year of acquisition. It is the Corporation's policy to expense capital items below a threshold of \$2,000.

Intangible Assets

Intangible assets are identifiable non-monetary assets without physical substance. Intangible assets are stated at cost less accumulated amortization. Amortization is provided over the estimated useful life of the assets at the following annual rates:

Software	20%	diminishing balance basis
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GSA Carleton Inc.

Summary of Significant Accounting Policies

April 30, 2026

Fund Accounting

In accordance with the principles of fund accounting, the Corporation maintains its accounting records to ensure that limitations and restrictions placed on the use of available resources are observed. Under this method, all resources are classified for accounting and reporting purposes into funds that are in accordance with specific activities and objectives. Accordingly, separate accounts are maintained for the following funds:

General Fund

The General Fund accounts for business operations, program delivery and administrative activities. This fund reports unrestricted resources. Internally restricted funds invested in tangible and intangible capital assets represent the net book value of tangible and intangible capital assets.

Capital Development Fund

The Capital Development Fund accounts for revenue designated for capital expenditures. All graduate students pay a fee of \$3 per term for improvements in this area, prorated for part-time students. Purchases of equipment or leasehold improvements over \$2,000 can be paid out of this fund as defined by the student fee and service agreement with Carleton University.

Accessibility Fund

The Accessibility Fund accounts for revenue designated for student accessibility expenses, including initiatives that advance accessibility, equity and inclusion for students, as defined by the student fee and service agreement with Carleton University. All graduate students pay a fee of \$3 per term, prorated for part-time students. The Fund supports physical and non-physical accessibility needs, including improvements related to events, spaces, digital and academic environments, and services.

Unicentre Fund

The Unicentre Fund accounted for joint programs with Carleton University and CUSA. Graduate students voted to terminate the University Centre levy as of the Spring/Summer 2015 term. Any unused funds have been restricted for future payments out of this fund as defined by the student fee and service agreement with Carleton University.

GSA Carleton Inc.

Summary of Significant Accounting Policies

April 30, 2026

**Fund Accounting
(continued)**

Mike's Place Levy Fund

The Mike's Place Levy Fund accounts for levy revenue designated to support the operation of Mike's Place Pub at full capacity and maintain its accessibility to the community. Effective September 1, 2025, graduate students pay a levy of \$7 per term. All levy revenue recognized during fiscal 2026 was applied to eligible Mike's Place operating expenses, and no fund balance remained at year-end.

Other Funds

Other Funds include the Sexual Assault Fund and the Graduate Residence Caucus (GRC) Fund. The Sexual Assault Fund supports sexual assault programming, education and outreach. Designated student fees net of annual program expenditures are accumulated in the fund. The GRC Fund stipulates that surpluses from the GRC annual budget can be set aside in a separate fund for future graduate residence expenditures. Fund expenditures are paid out as defined by the student fee and service agreement with Carleton University.

Inventory

Inventory is valued at lower of cost or net realizable value.

Deferred Revenue

Deferred revenue represents amounts received in advance from students for health insurance and student fees pertaining to future periods. These amounts are recognized as revenue on a monthly basis over the term in which the related services and benefits are delivered to students.

Revenue Recognition

The Corporation follows the restricted fund method of accounting for contributions. Externally restricted contributions for which an appropriate restricted fund exists are recognized as revenue of that fund when received or receivable. Externally restricted contributions for which no corresponding restricted fund has been established are deferred and recognized as General Fund revenue when the related expenditures are incurred. Unrestricted contributions are recognized as General Fund revenue when received or receivable. Contributions are recognized only when the amount can be reasonably estimated and collection is reasonably assured.

Sales from business operations are recognized as revenue in the General Fund when goods are provided or services are rendered to customers.

Unrestricted student fees and health insurance charges are recognized as General Fund revenue over the period in which the related benefits are provided. Externally restricted student fees and levies are recognized in the appropriate restricted fund in the period assessed.

Investment income is recognized as revenue in the General Fund when earned.

GSA Carleton Inc. Notes to Financial Statements

April 30, 2026

1. Tangible Capital Assets and Intangible Assets

	2026			2025		
	Cost	Accumulated Amortization	Net Book Value	Cost	Accumulated Amortization	Net Book Value
Tangible capital assets						
Mike's Place						
Furniture	\$ 98,303	\$ 73,443	\$ 24,860	\$ 75,309	\$ 70,102	\$ 5,207
Equipment	108,543	99,971	8,572	103,967	98,400	5,567
Computer equipment	10,780	8,961	1,819	10,780	8,181	2,599
Leasehold improvements	215,218	209,106	6,112	215,218	207,578	7,640
GSA Office						
Furniture and equipment	127,773	105,782	21,991	121,613	101,055	20,558
Computer equipment	101,958	96,908	5,050	101,958	94,743	7,215
Leasehold improvements	85,940	76,559	9,381	85,940	74,213	11,727
	\$ 748,515	\$ 670,730	\$ 77,785	\$ 714,785	\$ 654,272	\$ 60,513
Intangible assets						
Software	\$ 13,008	\$ 10,818	\$ 2,190	\$ 13,008	\$ 10,271	\$ 2,737

2. Fees for Designated Organizations

The Corporation collects preauthorized contributions on behalf of the Canadian Federation of Students, Ontario Public Interest Research Group, World University Services of Canada, The Leveller, Carleton University Foot Patrol, and C.K.C.U. and remits the funds to these organizations. These amounts are not recorded as revenue and expenses of the Corporation.

3. Business Operations

Expenses for the operation of Mike's Place are as follows:

	2026	2025
Amortization of tangible capital assets	\$ 7,219	\$ 5,717
Insurance	15,411	7,158
Labour	178,256	84,445
Operating	99,376	27,073
Rent and license fees	64,572	61,703
	\$ 364,834	\$ 186,096

GSA Carleton Inc.
Notes to Financial Statements

April 30, 2026

4. Commitments

The Corporation leases premises under an operating lease that expires on April 30, 2029. Future minimum payments, excluding HST, are as follows:

2027	\$ 109,844
2028	109,844
2029	<u>109,844</u>
	<u>\$ 329,532</u>

5. Economic Dependence

The Corporation derives a substantial portion of its revenue from student fees collected and remitted by Carleton University. Accordingly, the Corporation is economically dependent on the continued collection and remittance of these fees.

6. Subsequent Event

Subsequent to year-end, the Board of Directors and Council approved the suspension of Mike's Place operations pending a membership referendum on its future. The referendum is expected to occur in November 2026 and will ask members to choose between an increased student levy sufficient to support the continued operation of Mike's Place and its permanent closure. If Mike's Place is permanently closed, the Corporation has arranged with Carleton University to return the related premises effective May 1, 2027 and will remain responsible for rent through April 30, 2027.

During the year ended April 30, 2026, Mike's Place generated sales of \$171,306 and incurred cost of sales of \$54,765 and operating expenses of \$364,834, as disclosed in Note 3. The financial effect of a potential closure cannot presently be reasonably estimated because it depends on the outcome of the referendum and, if approved, the development of a closure and asset-disposition plan.

7. Risks and Concentrations

The Corporation is exposed to various risks through its financial instruments. The following analysis provides a measure of the Corporation's risk exposure and concentrations as at April 30, 2026.

The Corporation is not involved in any hedging relationships through its operations and does not hold or use any derivative financial instruments for trading purposes.

GSA Carleton Inc.
Notes to Financial Statements

April 30, 2026

7. Risks and Concentrations (continued)

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 Corporation is exposed to this risk mainly in respect of its accounts receivable and amounts due from Carleton University.

Liquidity risk

Liquidity risk is the risk that the Corporation will encounter difficulty in meeting obligations associated with financial liabilities. The Corporation is exposed to this risk mainly in respect of its accounts payable and accrued liabilities and amounts due to designated organizations.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk, and other price risk. The Corporation is not exposed to any significant market risk.

Changes in risk

There have been no changes in the Corporation's risk exposures from the prior year.

8. Comparative Amounts

In certain instances 2025 amounts presented for comparative purposes have been reclassified to conform to the financial statement presentation adopted for the current year.
