

Financial statements of

**GESTION CUSACORP LTÉE –
CUSACORP MANAGEMENT LTD.**

May 31, 2014

DRAFT

**GESTION CUSACORP LTÉE –
CUSACORP MANAGEMENT LTD.**

Table of contents

Notice to reader.....	1
Statement of loss.....	2
Statement of deficit.....	3
Balance sheet	4
Notes to the financial statements	5

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Notice to reader

On the basis of information provided by management, we have compiled the balance sheet of Gestion Cusacorp Ltée – Cusacorp Management Ltd. as at May 31, 2014 and the statements of loss and deficit for the year then ended.

We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon.

Readers are cautioned that these statements may not be appropriate for their purposes.

Prior to compiling the financial statements, we also recorded adjusting entries.

November 27, 2014

¹CPA, CA, CPA permit No. 112643

**GESTION CUSACORP LTÉE –
CUSACORP MANAGEMENT LTD.**

Statement of loss

Year ended May 31, 2014

(unaudited)

	2014	2013
	\$	\$
Revenue	67,874	398,079
Cost of goods sold	38,175	179,791
Gross profit	29,699	218,288
Operating expenses		
Administrative	107,249	288,212
Amortization of capital assets	13,113	14,502
	120,362	302,714
Operating loss	(90,663)	(84,426)
Other revenue	75,886	88,304
Net (loss) earnings	(14,777)	3,878

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**GESTION CUSACORP LTÉE –
CUSACORP MANAGEMENT LTD.**

Statement of deficit
Year ended May 31, 2014
(unaudited)

	2014	2013
	\$	\$
Balance, beginning of year	(1,369,691)	(1,373,569)
Net (loss) earnings	(14,777)	3,878
Balance, end of year	(1,384,468)	(1,369,691)

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**GESTION CUSACORP LTÉE –
CUSACORP MANAGEMENT LTD.**

Balance sheet

As at May 31, 2014

(unaudited)

	2014	2013
	\$	\$
Assets		
Current assets		
Cash	69,050	66,066
Prepaid expenses	14,974	10,856
	84,024	76,922
Capital assets (Note 2)	38,783	51,896
	122,807	128,818
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	7,348	19,230
Government remittances payable	4,046	15,292
Due to parent company, non-interest bearing	35,327	3,433
	46,721	37,955
Advances from parent company, non-interest bearing and without specific terms of repayment	1,420,054	1,420,054
	1,466,775	1,458,009
Shareholder's deficiency		
Share capital (Note 3)	500	500
Contributed surplus	40,000	40,000
Deficit	(1,384,468)	(1,369,691)
	(1,343,968)	(1,329,191)
	122,807	128,818

GESTION CUSACORP LTÉE – CUSACORP MANAGEMENT LTD.

Notes to the financial statements

May 31, 2014

(unaudited)

1. Description of the business

Gestion Cusacorp Ltée - Cusacorp Management Ltd. (the “Company”) sells and provides food and bar services primarily to students who attend Concordia University. The Company, a wholly-owned subsidiary of Concordia Student Union - Union Étudiante de Concordia (the “Parent entity”), was incorporated on March 23, 1984 under the *Business Corporations Act* (Quebec) and commenced operations on March 28, 1984. In fiscal year 2014, the bar was open for six weeks.

2. Capital assets

	2014			2013
	Cost	Accumulated amortization	Net book value	Net book value
	\$	\$	\$	\$
Computer equipment	33,690	33,052	638	911
Office furniture and fixtures	386,214	349,944	36,270	45,337
Leasehold improvements	975,334	973,459	1,875	5,648
	1,395,238	1,356,455	38,783	51,896

3. Share capital

Authorized, unlimited number

Common shares, voting and participating

	2014	2013
	\$	\$
<i>Issued</i>		
100 common shares	500	500

4. Potential tax benefits

As of May 31, 2014, the Company has income tax losses of \$191,829 at federal and \$398,137 at provincial, which may be used to reduce future years’ taxable income. The benefits resulting from these tax losses have not been recognized in the accounts.