The facts

Total Assets: $125M

Composed of:
- Lease on Nest (55 years)
- Art Collection (cost, not market value)
- Investments
- Property & Equipment
- Funds
- Cash & Other
The facts

Total Liabilities : $88M

Composed of:

- Debt (Nest building loan)
- Owing to Clubs & Constituencies
- Deferred Capital Contribution from UBC
- Accumulated Deficit
The Good news......

2020/21 Surplus was:

$5,588,426

This is the highest surplus in Society`s history
Background to the good news

- Health & Dental Fees underutilized
- Canada Emergency Wage Subsidy
- Unrealised Gain in Investments
- Operational expenses underspent
- Businesses underperformed
- Funds underutilized
And now the bad news.

AMS Deficit

Deficit: Expenses exceed income (revenue)

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue Income</th>
<th>Operational</th>
<th>Overall</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Surplus/(Deficit)</td>
<td>Expense/ (Deficit)</td>
<td>(Deficit)</td>
</tr>
<tr>
<td>2016</td>
<td>(248,982)</td>
<td>(1,553,059)</td>
<td>(1,153,059)</td>
</tr>
<tr>
<td>2017</td>
<td>(708,174)</td>
<td>(1,939,230)</td>
<td>(1,939,230)</td>
</tr>
<tr>
<td>2018</td>
<td>916,705</td>
<td>(1,022,525)</td>
<td>(5,044,308)</td>
</tr>
<tr>
<td>2019</td>
<td>1,969,233</td>
<td>946,708</td>
<td>(4,019,932)</td>
</tr>
<tr>
<td>2020</td>
<td>2,250,851</td>
<td>(227,473)</td>
<td>(4,247,405)</td>
</tr>
<tr>
<td>2021</td>
<td>5,588,426</td>
<td>264,879</td>
<td>(3,982,526)</td>
</tr>
</tbody>
</table>

2018 Deficit Increase: renovation of lower level of Life Building
Background to the 20/21 Surplus

• AMS Deficit decreased by $264,789 in Fiscal 20/21

Due to:
• Unrealized Gain on investments
• Decreased expenditure
• Canada Emergency Wage Subsidy

Partially offset by:
• Reduced contribution in Business Operations
Deficit Repayment Plan

• Current deficit is $3,982, 526

• Deficit will be repaid from excess business contributions in 2023, 2024, 2025, & 2026

• Caveat: Ongoing effects from Covid may affect this
What is the difference between a Deficit and a Debt

**Difference between Debt and Deficit**

• A Deficit is an excess of expenditure over income.

**Deficit:** Expenses exceeds income (revenue).
  
  (e.g. operating expenses, if businesses underperform, expenses not budgeted for)

• A Debt is a Loan from an external party

**Debt:** Borrowed money (loan) owed to external party
  
  (e.g. building loan from the bank)
AMS Debt

Previous deal:
• 35 year loan from UBC @ 5.75%, on loan of $68M

Current deal:
• 3.2% on interest rate swap arrangement, repayable over 19 years, on $70M

Overall Saving :

$70M (approx.)
AMS Debt

• Initial loan balance $68,055,818 June 1st 2015

• Repayments:
  2016   $ 812,845
  2017   $ 617,332
  2018   $2,694,303
  2019   $2,776,080
  2020   $2,971,879
  2021   $3,082,172

• Current balance : $55,762,467
• Loan will be repaid in 14 years
To Summarize.....

• Deficit $3,982,526

• Debt $55,762,467
Questions