

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

REPORT AND FINANCIAL STATEMENTS

MAY 31, 1980

AUDITORS' REPORT

To the Executive Director and Members,
The Students' Society of McGill University.

We have examined the balance sheet of The Students' Society of McGill University as at May 31, 1980 and the statements of revenue and expenditure and surplus for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Society as at May 31, 1980 and the results of its operations for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Montreal, Quebec,
August 7, 1980.

Touche Ross Co.

Chartered Accountants

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

BALANCE SHEET AS AT MAY 31, 1980

	<u>1980</u>	<u>1979</u>
<u>ASSETS</u>		
Cash	\$ 21,167	\$ 14,785
Accounts receivable	46,911	41,979
Funds on deposit with McGill University		
Investment reserve fund	107,611	107,611
Short-term investments	133,400	136,248
Inventories	161,801	31,088
Prepaid expenses	<u>10,333</u>	<u>164</u>
	481,223	331,875
Equipment (Note 4)	<u>306,790</u>	<u>143,622</u>
	<u>\$788,013</u>	<u>\$475,497</u>
<u>LIABILITIES</u>		
Accounts payable		
McGill University	\$591,135	\$249,858
Other	25,090	34,597
Commitments on outstanding projects	-	5,983
Current portion of loan payable	<u>56,856</u>	<u>10,000</u>
	673,081	300,438
Loan payable (Note 2)	<u>48,000</u>	<u>22,847</u>
	721,081	323,285
<u>SOCIETY'S EQUITY</u>		
Surplus	<u>66,932</u>	<u>152,212</u>
	<u>\$788,013</u>	<u>\$475,497</u>

Approved on behalf of the Society

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THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

STATEMENT OF REVENUE AND EXPENDITURE
FOR THE YEAR ENDED MAY 31, 1980

	<u>1980</u>	<u>1979</u>
Revenue		
Students' fees	\$410,489	\$395,453
Interest on investment reserve fund	27,124	23,904
Other income	<u>6,477</u>	<u>95</u>
	<u>444,090</u>	<u>419,452</u>
Expenditure (other income)		
Students' Activities, net (Schedule 1)	147,678	119,975
McGill Students' University Centre (Schedule 2)	172,879	160,363
University Centre Cafeteria (Schedule 3)	11,760	1,294
Typesetting (Schedule 4)	16,573	28,600
Gertrude's Pub & Pizzeria (Schedule 5)	(73,442)	(78,637)
Office and Administrative (Schedule 6)	191,607	163,513
General (Schedule 6)	33,405	17,077
Sadie's Tabagie and Information Booth (Schedule 10)	(1,094)	3,407
Vending operations (Schedule 11)	28,974	-
Items applicable prior years	1,030	2,597
Write-off of student loans	<u>-</u>	<u>7,700</u>
	<u>529,370</u>	<u>425,889</u>
Excess of expenditure over revenue	<u>\$ 85,280</u>	<u>\$ 6,437</u>

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

STATEMENT OF SURPLUS
FOR THE YEAR ENDED MAY 31, 1980

	<u>1980</u>	<u>1979</u>
Balance, beginning of year	\$152,212	\$158,649
Excess of expenditure over revenue	<u>85,280</u>	<u>6,437</u>
Balance, end of year	<u>\$ 66,932</u>	<u>\$152,212</u>

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

NOTES TO FINANCIAL STATEMENTS
MAY 31, 1980

1. Accounting policies

The Society follows generally accepted accounting principles and their application is consistent with previous years.

Expenditures

Expenses are recorded in the accounts on an accrual basis, and provisions are established for uncompleted purchase orders and services.

Depreciation

Equipment is stated at cost less accumulated depreciation which is calculated on a declining balance basis at the rate of 20% per annum.

Capitalization

All major acquisitions of fixed assets or additions which extend the useful lives of existing fixed assets are capitalized in the accounts.

Inventories

Inventories are valued at the lower of cost and net realizable value.

2. Loan payable

This loan was obtained from McGill University interest free on the condition that it be repaid on or before June 1, 1982. Interest on any balance owing beyond this date will be charged at 1% per annum below the prime interest rate. The loan is secured by vending machines stated in the balance sheet at \$100,430.

3. Light, heating and air conditioning expense

Light, heating and air conditioning expense of \$157,284 for the University Centre have been paid by McGill University on behalf of the Society (1979 - \$152,981).

The Students' Society of McGill University
 Notes to Financial Statements
 May 31, 1980

4. Equipment and related accumulated depreciation

	1980			1979
	<u>Cost</u>	<u>Accumulated depreciation</u>	<u>Net</u>	<u>Net</u>
S.S.T. Typesetting	\$ 75,287	\$ 34,651	\$ 40,636	\$ 49,612
Gertrude's Pub	75,681	26,198	49,483	32,549
Radio McGill	45,352	34,983	10,369	10,461
Amateur Radio	9,521	7,407	2,114	2,642
Film Society	7,222	4,302	2,920	3,650
Sadie's Tabagie	5,163	1,950	3,213	2,040
University Centre	95,588	39,331	56,257	31,829
Cafeteria	49,843	12,553	37,290	5,742
Administration	7,964	3,886	4,078	5,097
Vending machines	116,233	15,803	100,430	-
	<u>\$487,854</u>	<u>\$181,064</u>	<u>\$306,790</u>	<u>\$143,622</u>

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

ADDITIONAL INFORMATION

MAY 31, 1980

ADDITIONAL INFORMATION

In connection with our examination of the financial statements of The Students' Society of McGill University for the year ended May 31, 1980, we have also examined the additional information presented in the following pages. In our opinion, such information is fairly presented although it is not necessary for a fair presentation of financial position or results of operations.

Montreal, Quebec,
August 7, 1980.

Touche Ross Co.

Chartered Accountants

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

STATEMENT OF STUDENTS' ACTIVITIES
FOR THE YEAR ENDED MAY 31, 1980

	<u>1980</u>	<u>1979</u>
Net expenditure (revenue)		
Activities Night	\$ 1,027	\$ 1,129
Amateur Radio Club	2,656	3,110
Arab Student Association	816	151
Armenian Club	349	250
African Students' Association	476	-
Blood Donor Clinic	1,565	1,732
Camera Club	246	380
Campus Legal Aid	10,203	9,202
Caribbean Society	418	613
Chinese Students' Association	1,251	449
Community McGill	728	407
Debating Union Society (Schedule 9)	10,668	8,089
Entertainment Committee	4,710	6,000
External Affairs	6,466	-
Film Society (Schedule 8)	9,512	6,311
Gay McGill	(398)	339
Greenpeace	426	(8)
Hellenic Club	(166)	81
I.S.A.	2,661	2,929
Italian Club	232	(72)
Latin American Students' Association	113	(289)
Malaysian Students' Association	410	174
McGill Annual (Schedule 8)	2,628	(1,805)
McGill Daily (Schedule 7)	50,629	56,351
Players' Club (Schedule 8)	5,292	5,595
Polish Students' Association	358	-
Radio McGill (Schedule 9)	9,165	9,199
Savoy Society	52	647
Second Hand Book Sale	(12)	518
Student Handbook	866	(221)
Student Society Liaison Project	1,412	1,096
South Asia Students' Association	185	2
Student Security	13,366	2,016
Tamil Cultural Society	136	-
Ukrainian Student Society	118	-
Vietnamese Student Society	342	-
Welcome Week	1,213	-
Winter Carnival	834	254
Women's Union	4,375	4,224
Miscellaneous Clubs	<u>2,350</u>	<u>1,122</u>
	<u>\$147,678</u>	<u>\$119,975</u>

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY
STATEMENT OF MCGILL STUDENTS' UNIVERSITY CENTRE
FOR THE YEAR ENDED MAY 31, 1980

	<u>1980</u>	<u>1979</u>
Revenue		
Parking income	\$ 12,313	\$ 9,298
Vending machines	-	1,860
Room rentals	14,640	15,045
Miscellaneous	<u>90</u>	<u>81</u>
	<u>27,043</u>	<u>26,284</u>
Expenditure		
Salaries and wages	61,334	54,639
Cleaning and security	65,839	78,334
Repairs and alterations	28,699	20,891
Materials and supplies	17,637	16,034
Stationery and postage	571	409
Advertising	785	358
Insurance and taxes	5,667	4,026
Telephone	4,086	2,919
Gaz	-	444
Miscellaneous expenses	1,240	636
Depreciation	<u>14,064</u>	<u>7,957</u>
	<u>199,922</u>	<u>186,647</u>
Net expenditure	<u>\$172,879</u>	<u>\$160,363</u>

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY
STATEMENT OF UNIVERSITY CENTRE CAFETERIA OPERATIONS
FOR THE YEAR ENDED MAY 31, 1980

	<u>1980</u>	<u>1979</u>
Sales	\$248,087	\$201,895
Cost of sales	<u>116,847</u>	<u>91,800</u>
Gross profit	<u>131,240</u>	<u>110,095</u>
Expenditure		
Salaries and wages	80,318	78,886
Fringe benefits	4,831	4,439
Materials and supplies	16,409	8,740
Telephone	692	581
Repairs	12,942	12,454
Publicity	801	414
Miscellaneous	2,774	1,117
Depreciation	9,323	1,436
Contract services	<u>14,910</u>	<u>3,322</u>
	<u>143,000</u>	<u>111,389</u>
Net expenditure	<u>\$ 11,760</u>	<u>\$ 1,294</u>

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

STATEMENT OF TYPESETTING OPERATIONS
FOR THE YEAR ENDED MAY 31, 1980

	<u>1980</u>	<u>1979</u>
Revenue	<u>\$138,802</u>	<u>\$130,636</u>
Expenditure		
Salaries and wages	111,673	119,046
Fringe benefits	6,179	4,892
Equipment rental	10	882
Paper, printing and supplies	20,202	17,848
Repairs	3,047	321
Travel and car expense	1,508	1,387
Telephone	748	964
Depreciation	10,159	12,403
Training expense	-	500
Miscellaneous	<u>1,849</u>	<u>993</u>
	<u>155,375</u>	<u>159,236</u>
Net expenditure	<u>\$ 16,573</u>	<u>\$ 28,600</u>

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY
STATEMENT OF GERTRUDE'S PUB & PIZZERIA OPERATIONS
FOR THE YEAR ENDED MAY 31, 1980

	<u>1980</u>	<u>1979</u>
Revenue		
Sales		
Beer and liquor	\$310,454	\$274,685
Food	<u>263,272</u>	<u>221,408</u>
	<u>573,726</u>	<u>496,093</u>
Cost of sales		
Beer and liquor	156,066	115,935
Food	<u>109,684</u>	<u>94,850</u>
	<u>265,750</u>	<u>210,785</u>
Gross profit	307,976	285,308
Games machine income	<u>20,718</u>	<u>15,907</u>
Income before expenditure	<u>328,694</u>	<u>301,215</u>
Expenditure		
Material and supplies	27,100	17,939
Repairs	11,966	9,632
Printing and stationery	665	379
Postage and miscellaneous	2,666	2,239
Advertising	3,677	4,134
Entertainment	12,504	8,855
Telephone	457	725
Insurance	129	30
Gaz	-	494
Salaries and wages	183,717	170,014
Depreciation	<u>12,371</u>	<u>8,137</u>
	<u>255,252</u>	<u>222,578</u>
Net income	<u>(\$ 73,442)</u>	<u>(\$ 78,637)</u>

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

STATEMENT OF EXPENDITURE
FOR THE YEAR ENDED MAY 31, 1980

	<u>1980</u>	<u>1979</u>
Office and Administrative		
Salaries and benefits	\$135,572	\$120,198
Casual wages	11,590	18,115
Postage, stationery and printing	10,708	7,107
Xerox expense, net	6,272	2,897
Telephone and telegraph	3,180	3,685
Legal and audit fees	5,922	5,254
Supplies	1,044	1,095
Advertising	7,819	3,146
Insurance	<u>9,500</u>	<u>2,016</u>
	<u>\$191,607</u>	<u>\$163,513</u>
General		
Travelling	\$ 1,970	\$ 3,120
Election	2,532	2,080
Bad debts	3,323	(5,742)
Depreciation	1,019	1,274
Miscellaneous	12,021	1,294
Computer charges	5,000	6,666
Honoraria	<u>7,540</u>	<u>8,385</u>
	<u>\$ 33,405</u>	<u>\$ 17,077</u>

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

STATEMENT OF MCGILL DAILY OPERATIONS
FOR THE YEAR ENDED MAY 31, 1980

	<u>1980</u>	<u>1979</u>
Revenue - advertising	<u>\$125,137</u>	<u>\$100,873</u>
Expenditure		
Publishing cost	68,045	65,938
Typesetting	45,394	35,951
Salaries and wages	39,617	28,480
Fringe benefits	1,349	788
Travelling	1,785	3,922
Postage and miscellaneous	1,478	690
Printing and stationery	1,151	251
Rental and maintenance of typewriters	825	2,828
Telephone and telegraph	3,103	1,802
Dinners	758	753
Photographs and supplies	660	748
Subscriptions to periodicals	230	371
C.U.P. Conference	8,744	6,233
Bad debts	2,627	4,767
Binding	-	1,702
Contract services	-	2,000
	<u>175,766</u>	<u>157,224</u>
Net expenditure transferred to Schedule 1	<u>\$ 50,629</u>	<u>\$ 56,351</u>

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

STATEMENT OF REVENUE AND EXPENDITURE
FOR THE YEAR ENDED MAY 31, 1980

	<u>McGill Annual</u>		<u>Film Society</u>		<u>Players' Club</u>	
	<u>1980</u>	<u>1979</u>	<u>1980</u>	<u>1979</u>	<u>1980</u>	<u>1979</u>
Revenue						
Admissions	\$ -	\$ -	\$14,115	\$16,488	\$ 5,947	\$ 6,270
Advertising	1,030	750	-	-	-	-
Sundry	8,854	8,298	-	-	585	-
Photography	9,354	9,540	-	-	-	-
	<u>19,238</u>	<u>18,588</u>	<u>14,115</u>	<u>16,488</u>	<u>6,532</u>	<u>6,270</u>
Expenditure						
Amusement tax	-	-	1,357	1,433	558	365
Printing and publicity	19,411	15,048	2,456	2,041	2,793	2,705
Rentals	-	20	16,802	16,002	-	292
Honorariums	720	1,838	912	685	1,630	1,470
Dinners	-	-	-	50	-	-
Scenery and properties	-	-	-	-	2,168	2,280
Costumes and make-up	-	-	-	-	890	1,308
Lighting	-	-	-	-	224	208
Telephone	-	-	212	252	227	290
Script and royalties	-	-	-	-	1,583	1,214
Photography	1,231	1,106	-	-	28	35
Postage and miscellaneous	321	160	153	420	627	964
Materials and supplies	393	416	109	457	854	265
Travel and taxi expense	-	-	678	458	234	469
Subscription	-	-	218	89	8	-
Depreciation	-	-	730	912	-	-
Year book	(210)	(1,805)	-	-	-	-
	<u>21,866</u>	<u>16,783</u>	<u>23,627</u>	<u>22,799</u>	<u>11,824</u>	<u>11,865</u>
Net expenditure (income) transferred to Schedule 1	<u>\$ 2,628</u>	<u>(\$ 1,805)</u>	<u>\$ 9,512</u>	<u>\$ 6,311</u>	<u>\$ 5,292</u>	<u>\$ 5,595</u>

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

STATEMENT OF REVENUE AND EXPENDITURE
FOR THE YEAR ENDED MAY 31, 1980

	<u>Debating Union Society</u>		<u>Radio McGill</u>	
	<u>1980</u>	<u>1979</u>	<u>1980</u>	<u>1979</u>
Revenue				
Advertising	\$ -	\$ -	\$ 537	\$ 30
Admissions	<u>2,070</u>	<u>3,505</u>	<u>-</u>	<u>-</u>
	<u>2,070</u>	<u>3,505</u>	<u>537</u>	<u>30</u>
Expenditure				
Printing, postage, stationery and publicity	4,246	1,775	1,118	1,036
Rentals	575	1,134	1,110	645
Telephone and telegraph	188	279	1,833	1,959
Repairs	-	-	1,855	1,471
Away debates	998	2,096	-	-
Speakers' programme (Honoraria)	3,700	3,506	-	-
High school debate	2,402	2,246	-	-
Miscellaneous	629	558	222	704
Depreciation	-	-	2,592	2,615
Records	<u>-</u>	<u>-</u>	<u>972</u>	<u>799</u>
	<u>12,738</u>	<u>11,594</u>	<u>9,702</u>	<u>9,229</u>
Net expenditure transferred to Schedule 1	<u>\$10,668</u>	<u>\$ 8,089</u>	<u>\$9,165</u>	<u>\$9,199</u>

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

STATEMENT OF TABAGIE OPERATIONS
FOR THE YEAR ENDED MAY 31, 1980

	<u>1980</u>	<u>1979</u>
Revenue		
Sales		
Metro tickets and stamps	\$16,858	\$15,308
Tobacco products	37,184	24,448
Confectionery	11,779	5,918
Miscellaneous	<u>25,892</u>	<u>9,066</u>
	<u>91,713</u>	<u>54,740</u>
Cost of sales		
Metro tickets and stamps	17,529	15,580
Tobacco products	25,582	20,409
Confectionery	7,982	4,995
Miscellaneous	<u>27,372</u>	<u>5,566</u>
	<u>78,465</u>	<u>46,550</u>
Gross profit	13,248	8,190
Commission income	<u>3,451</u>	<u>1,809</u>
	<u>16,699</u>	<u>9,999</u>
Expenditure		
Material and supplies	2,538	270
Printing and stationery	85	40
Postage and miscellaneous	612	581
Advertising	1,118	526
Salaries	5,824	4,417
Casual wages	4,041	6,542
Fringe benefits	584	520
Depreciation	<u>803</u>	<u>510</u>
	<u>15,605</u>	<u>13,406</u>
Net expenditure (income)	<u>(\$ 1,094)</u>	<u>\$ 3,407</u>

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

STATEMENT OF OPERATIONS - VENDING
FOR THE EIGHT MONTHS ENDED MAY 31, 1980

	Vending University Centre	Vending Arts	Vending Bronfman	Total
Revenue				
Vending income	\$14,207	\$67,627	\$ 96,487	\$178,321
Deli income	-	23,669	30,810	54,479
Total sales	14,207	91,296	127,297	232,800
Cost of sales	7,388	43,822	58,556	109,766
Gross profit	6,819	47,474	68,741	123,034
Expenses				
Salaries	-	24,663	28,692	53,355
Licences and Miscellaneous	456	1,616	2,778	4,850
Depreciation	1,010	5,909	8,883	15,802
Material and supplies	602	5,428	5,994	12,024
Repairs and maintenance	1,611	1,436	1,522	4,569
Overhead charge	2,486	15,977	22,278	40,741
Total expenditure	6,165	55,029	70,147	131,341
Loss (profit) before guarantee	(654)	7,555	1,406	8,307
Guarantee payments	-	8,667	12,000	20,667
Net expenditure (income)	(\$ 654)	\$16,222	\$ 13,406	\$ 28,974