

Charette, Fortier, Hawey
Touche Ross

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THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

REPORT AND FINANCIAL STATEMENTS

MAY 31, 1984

*Charette, Fortier, Hawey
Touche Ross*

AUDITORS' REPORT

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, 1984 and the statement of loss and deficit 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, 1984 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,
October 29, 1984.

Touche Ross Co.

Chartered Accountants

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

BALANCE SHEET AS AT MAY 31, 1984

	<u>1984</u>	<u>1983</u> (Reclassified)
<u>ASSETS</u>		
Current		
Cash	\$ 14,800	\$ 13,100
Short-term investments	39,790	35,578
Funds on deposit with McGill University		
Investment reserve fund	-	108,000
Accounts receivable	47,978	9,827
Insurance claim receivable	-	15,368
Inventories	68,491	100,058
Prepaid expense	<u>11,250</u>	<u>10,750</u>
	182,309	292,681
Fixed		
Equipment (Note 2)	<u>294,228</u>	<u>298,305</u>
	<u>\$476,537</u>	<u>\$590,986</u>
<u>LIABILITIES AND DEFICIT</u>		
Current		
Accounts payable		
McGill University	\$490,471	\$649,356
Other	150,654	92,158
Loans payable, secured (Note 3)	151,203	130,724
Current portion of loans payable, secured (Note 3)	<u>28,170</u>	<u>14,370</u>
	820,498	886,608
Loans payable, secured (Note 3)	<u>82,199</u>	<u>49,260</u>
	902,697	935,868
Deficit	<u>(426,160)</u>	<u>(344,882)</u>
	<u>\$476,537</u>	<u>\$590,986</u>

Approved on behalf of the Society

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THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

STATEMENT OF LOSS AND DEFICIT
FOR THE YEAR ENDED MAY 31, 1984

	<u>1984</u>	<u>1983</u>
Income		
Students' fees	\$479,755	\$468,070
Interest on short-term investments	2,223	24,002
Other income	<u>60,796</u>	<u>57,446</u>
	<u>542,774</u>	<u>549,518</u>
Expenditure (income)		
Office and administrative (Schedule 1)	105,095	136,142
General (Schedule 1)	21,824	34,397
Students' Activities (Schedule 2)	143,550	200,165
McGill Students' University Centre (Schedule 3) (Note 4)	284,093	287,594
University Centre Cafeteria (Schedule 4)	(1,153)	28,870
Gertrude's Pub & Pizzeria (Schedule 5)	37,576	22,821
Sadie's Tabagie (Schedule 8)	3,061	31,160
Vending (Schedule 9)	<u>30,006</u>	<u>81,624</u>
	<u>624,052</u>	<u>822,773</u>
Excess of expenditure over income for the year	<u>81,278</u>	<u>273,255</u>
Deficit, beginning of year	344,882	66,330
Prior period adjustment	<u>-</u>	<u>5,297</u>
Deficit, as restated	<u>344,882</u>	<u>71,627</u>
Deficit, end of year	<u>\$426,160</u>	<u>\$344,882</u>

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

NOTES TO FINANCIAL STATEMENTS
MAY 31, 1984

1. Significant accounting policies

Basis of reporting

These financial statements, which have been prepared by management on a historical cost basis, conform with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Fixed assets

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

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

Inventories

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

2. Fixed assets

These comprise the following equipment and related accumulated depreciation:

	1984			1983
	Cost	Accumulated depreciation	Net	Net
Gertrude's Pub	\$ 92,487	\$ 63,394	\$ 29,093	\$ 36,367
Radio McGill	50,813	42,827	7,986	9,983
Amateur Radio	10,296	8,913	1,383	1,728
Film Society	7,222	6,026	1,196	1,495
Sadie's Tabagie	6,254	4,218	2,036	2,545
University Centre	114,401	84,309	30,092	37,615
Cafeteria	64,100	40,110	23,990	29,988
Administration	12,600	7,270	5,330	5,727
Vending machines	341,094	156,434	184,660	163,355
Micro-computer	16,896	8,434	8,462	9,502
	<u>\$716,163</u>	<u>\$421,935</u>	<u>\$294,228</u>	<u>\$298,305</u>

The Students' Society of McGill University
Notes to financial statements
May 31, 1984

3. Loans payable

These loans were obtained from McGill University for the purchase of vending machines which have been given as security for the loans.

The balance of \$151,203 consists of an amount of \$48,000 which bears interest at the bank prime rate of interest less 1%, an amount of \$70,230 which bears interest at the bank prime rate of interest, and an amount of \$32,973 which bears interest at 10% per annum.

The long-term portion of the loans of \$82,199 bears interest at 10% per annum.

Interest costs for the year ended May 31, 1984 were waived by McGill University.

4. Heat, electricity and air conditioning expense

Heat, electricity and air conditioning expense of \$192,360 for the University Centre has been paid by McGill University (1983 - \$259,025).

5. Subsequent event

Pursuant to agreements effective September 4, 1984, Les Services Alimentaires C.V.C. Inc. purchased the food, beverage and related supplies inventories of the Society, and agreed to manage and provide food and beverage services to the Society for a period of three years.

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THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

ADDITIONAL INFORMATION

MAY 31, 1984

*Charette, Fortier, Hawey
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THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

REPORT AND FINANCIAL STATEMENTS

MAY 31, 1984

*Charette, Fortier, Hawey
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ADDITIONAL INFORMATION

In connection with our examination of the financial statements of The Students' Society of McGill University for the year ended May 31, 1984, we have reviewed the additional information presented in the following pages which has been taken primarily from accounting and other records of the Society but which is not, in our opinion, necessary for a fair presentation of its financial position or the results of its operations for the year then ended.

Our examination of the financial statements of The Students' Society of McGill University was intended primarily for the purpose of formulating an opinion on the basic financial statements taken as a whole and not to enable us to express an opinion as to the fairness of all the information in the attached schedules.

Montreal, Quebec,
October 29, 1984.

Touche Ross Co.

Chartered Accountants

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

STATEMENT OF EXPENDITURE
FOR THE YEAR ENDED MAY 31, 1984

	<u>1984</u>	<u>1983</u>
Office and administrative		
Salaries and benefits	\$184,036	\$131,414
Casual wages	53,281	70,160
Postage, stationery and printing	10,626	10,844
Telephone and telegraph	8,537	7,371
Legal and audit fees	23,568	32,520
Supplies	558	333
Advertising	70	1,022
Insurance	11,673	7,364
Overhead recoveries (Schedule 9)	<u>(187,254)</u>	<u>(124,886)</u>
	<u>\$105,095</u>	<u>\$136,142</u>
General		
Election	\$ 8,746	\$ 9,037
Bad debts	-	4,415
Depreciation	3,261	2,359
Miscellaneous	2,517	4,556
Computer charges	7,300	7,152
Interest	<u>-</u>	<u>6,878</u>
	<u>\$ 21,824</u>	<u>\$ 34,397</u>

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

STATEMENT OF STUDENTS' ACTIVITIES
FOR THE YEAR ENDED MAY 31, 1984

	<u>1984</u>	<u>1983</u>
Net expenditure (income)		
Activities night	\$ 59	\$ 696
African Students' Association	626	131
Amateur Radio Club	1,058	1,564
Arab Student Association	-	488
Armenian Club	395	363
Blood Donor Clinic	2,273	2,664
Camera Club	324	889
Campus Legal Aid	13,329	12,484
Caribbean Society	-	1,171
Chinese Students' Association	-	398
Communications	2,356	2,813
Community McGill	789	1,323
Councils and Committees	26,426	27,379
Debating Union Society (Schedule 7)	5,768	5,112
Educational Programming	(32)	963
Entertainment Committee	14,905	16,937
External Affairs	5,546	5,499
Film Society (Schedule 6)	(197)	6,259
Foster Parents' Association	340	81
Gay McGill	155	(957)
Greenpeace	-	324
Hellenic Club	656	329
International Students' Association	1,295	1,376
Indian Students' Association	500	661
Iranian Students' Association	1,214	297
Latin American Students' Association	408	67
Malaysian Students' Association	125	280
Mature Students' Association	-	286
McGill Annual (Schedule 6)	(3,780)	(2,871)
McGill Daily	-	6,072
Mini Courses	44	1,375
Pakistan Students' Association	-	858
Players' Club (Schedule 6)	2,041	13,943
Polish Students' Association	-	53
Project Ploughshares	-	1,011
Radio McGill (Schedule 7)	10,928	13,949
Redpath Terrace	12,485	11,814
Savoy Society	(1,228)	1,269
Second-hand book sale	(581)	-
Simulation Gamers Guild	106	172
Student Directory	-	2,969
Student Handbook	6,352	9,300
Student security	10,811	17,545
Student Society Liaison Project	(623)	415
Tribune Newsletter	18,791	16,970
Vietnamese Student Society	-	342
Welcome Week	-	(2,685)
Winter Carnival	2,001	3,843
Women's Union	4,311	6,768
Miscellaneous clubs	3,574	7,176
Net expenditure	<u>\$143,550</u>	<u>\$200,165</u>

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

STATEMENT OF MCGILL STUDENTS' UNIVERSITY CENTRE OPERATIONS
FOR THE YEAR ENDED MAY 31, 1984

	<u>1984</u>	<u>1983</u>
Income		
Parking income	\$ 11,202	\$ 11,155
Room rentals	<u>32,387</u>	<u>27,840</u>
	<u>43,589</u>	<u>38,995</u>
Expenditure		
Salaries and wages	113,019	110,491
Cleaning and security	71,690	86,990
Repairs and alterations	90,967	67,783
Materials and supplies	41,008	44,512
Stationery and postage	828	2,375
Insurance and taxes	91	153
Telephone	2,392	2,133
Miscellaneous	164	2,807
Depreciation	<u>7,523</u>	<u>9,345</u>
	<u>327,682</u>	<u>326,589</u>
Net expenditure	<u>\$284,093</u>	<u>\$287,594</u>

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY
STATEMENT OF UNIVERSITY CENTRE CAFETERIA OPERATIONS
FOR THE YEAR ENDED MAY 31, 1984

	<u>1984</u>	<u>1983</u>
Sales	\$425,159	\$419,821
Cost of sales	<u>212,592</u>	<u>209,910</u>
Gross profit	<u>212,567</u>	<u>209,911</u>
Expenditure		
Salaries and wages	148,883	143,714
Fringe benefits	12,590	9,743
Materials and supplies	18,053	30,000
Repairs	7,241	15,315
Publicity	911	2,304
Miscellaneous	4,322	6,385
Depreciation	5,998	6,878
Contract services	<u>13,416</u>	<u>24,442</u>
	<u>211,414</u>	<u>238,781</u>
Net (income) expenditure	<u>(\$ 1,153)</u>	<u>\$ 28,870</u>

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

STATEMENT OF GERTRUDE'S PUB & PIZZERIA OPERATIONS
FOR THE YEAR ENDED MAY 31, 1984

	<u>1984</u>	<u>1983</u>
Income		
Sales		
Beer and liquor	\$409,638	\$430,740
Food	<u>302,708</u>	<u>289,411</u>
	<u>712,346</u>	<u>720,151</u>
Cost of sales		
Beer and liquor	205,954	215,370
Food	<u>146,692</u>	<u>144,706</u>
	<u>352,646</u>	<u>360,076</u>
Gross profit	359,700	360,075
Games machine income	<u>22,971</u>	<u>35,881</u>
	<u>382,671</u>	<u>395,956</u>
Expenditure		
Material and supplies	46,272	40,000
Repairs	15,550	23,321
Printing and stationery	604	640
Postage and miscellaneous	178	4,610
Advertising	1,408	2,784
Entertainment	6,127	9,957
Telephone	3,858	3,233
Insurance	2,014	2,024
Gas	292	2,352
Contract services	19,291	19,910
Salaries and wages	316,911	301,136
Depreciation	<u>7,742</u>	<u>8,810</u>
	<u>420,247</u>	<u>418,777</u>
Net expenditure	<u>\$ 37,576</u>	<u>\$ 22,821</u>

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED MAY 31, 1984

	McGill Annual		Film Society		Players' Club	
	1984	1983	1984	1983	1984	1983
Income						
Admissions	\$ -	\$ -	\$19,211	\$22,355	\$11,420	\$11,973
Advertising	4,790	3,225	-	-	145	-
Sundry	17,484	7,845	-	-	-	-
Photography	16,328	14,644	-	-	-	-
	<u>38,602</u>	<u>25,714</u>	<u>19,211</u>	<u>22,355</u>	<u>11,565</u>	<u>11,973</u>
Expenditure						
Amusement tax	-	-	1,807	2,040	971	811
Printing and publicity	24,632	14,994	2,028	2,035	2,211	5,933
Rentals	-	-	14,049	21,756	560	2,019
Honoraria	5,813	1,034	-	640	64	450
Scenery and properties	-	-	-	-	1,979	3,636
Costumes and make-up	-	-	-	-	1,058	2,042
Lighting	-	-	-	-	445	739
Telephone	-	-	417	434	523	697
Script and royalties	-	-	-	-	1,190	2,267
Photography	1,480	1,758	-	-	260	-
Postage and miscellaneous	2,756	3,608	405	184	1,818	3,602
Materials and supplies	141	1,447	-	26	2,273	3,636
Travel and taxi expense	-	2	9	1,125	67	84
Depreciation	-	-	299	374	187	-
	<u>34,822</u>	<u>22,843</u>	<u>19,014</u>	<u>28,614</u>	<u>13,606</u>	<u>25,916</u>
Net (income) expenditure transferred to Schedule 2	<u>(\$ 3,780)</u>	<u>(\$ 2,871)</u>	<u>(\$ 197)</u>	<u>\$ 6,259</u>	<u>\$ 2,041</u>	<u>\$13,943</u>

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

STATEMENT OF INCOME AND EXPENDITURE
 FOR THE YEAR ENDED MAY 31, 1984

	<u>Debating Union Society</u>		<u>Radio McGill</u>	
	<u>1984</u>	<u>1983</u>	<u>1984</u>	<u>1983</u>
Income				
Advertising	\$ -	\$ -	\$ 4,366	\$ 1,921
Admissions	<u>7,843</u>	<u>6,315</u>	<u>1,797</u>	<u>1,235</u>
	<u>7,843</u>	<u>6,315</u>	<u>6,163</u>	<u>3,156</u>
Expenditure				
Printing, postage, stationery and publicity	1,455	330	2,786	4,194
Rentals	1,814	1,227	1,450	1,548
Telephone and telegraph	485	396	4,549	4,312
Repairs	-	-	3,942	2,026
Speakers' programme (honoraria)	-	-	-	250
High school debate	4,515	4,959	-	-
Miscellaneous	97	690	1,355	2,048
Depreciation	-	-	1,997	1,896
Records	-	-	1,012	831
Food	<u>5,245</u>	<u>3,825</u>	<u>-</u>	<u>-</u>
	<u>13,611</u>	<u>11,427</u>	<u>17,091</u>	<u>17,105</u>
Net expenditure transferred to Schedule 2	<u>\$ 5,768</u>	<u>\$ 5,112</u>	<u>\$10,928</u>	<u>\$13,949</u>

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

STATEMENT OF SADIE'S TABAGIE OPERATIONS
FOR THE YEAR ENDED MAY 31, 1984

	McConnell		University Centre		Total	
	Engineering					
	1984	1983	1984	1983	1984	1983
Income						
Sales						
Metro tickets and stamps	\$19,787	\$13,263	\$ 52,059	\$ 50,229	\$ 71,846	\$ 63,492
Tobacco products	18,560	-	81,310	80,401	99,870	80,401
Confectionery	12,215	6,658	24,354	24,412	36,569	31,070
Miscellaneous	44,133	31,352	41,402	40,372	85,535	71,724
	<u>94,695</u>	<u>51,273</u>	<u>199,125</u>	<u>195,414</u>	<u>293,820</u>	<u>246,687</u>
Cost of sales						
Metro tickets and stamps	19,107	8,613	49,794	48,115	68,901	56,728
Tobacco products	15,219	-	66,674	65,891	81,893	65,891
Confectionery	9,771	4,994	19,483	18,309	29,254	23,303
Miscellaneous	30,133	26,986	36,311	43,190	66,444	70,176
	<u>74,230</u>	<u>40,593</u>	<u>172,262</u>	<u>175,505</u>	<u>246,492</u>	<u>216,098</u>
Gross profit	20,465	10,680	26,863	19,909	47,328	30,589
Commission income	1,024	453	66	1,872	1,090	2,325
	<u>21,489</u>	<u>11,133</u>	<u>26,929</u>	<u>21,781</u>	<u>48,418</u>	<u>32,914</u>
Expenditure						
Material and supplies	1,182	14,747	4,122	10,745	5,304	25,492
Postage and miscellaneous	2,253	1,105	2,652	832	4,905	1,937
Advertising	413	60	526	1,019	939	1,079
Salaries	2,691	2,797	15,251	14,095	17,942	16,892
Casual wages	7,549	4,603	11,011	10,832	18,560	15,435
Fringe benefits	801	614	2,519	2,023	3,320	2,637
Depreciation	-	-	509	602	509	602
	<u>14,889</u>	<u>23,926</u>	<u>36,590</u>	<u>40,148</u>	<u>51,479</u>	<u>64,074</u>
Net expenditure	<u>(\$ 6,600)</u>	<u>\$12,793</u>	<u>\$ 9,661</u>	<u>\$ 18,367</u>	<u>\$ 3,061</u>	<u>\$ 31,160</u>

THE STUDENTS' SOCIETY OF

STATEMENT OF VENDING INCOME
FOR THE YEAR ENDED

	University Centre		Arts		Bronfman		Redpath		1982
	1984	1983	1984	1983	1984	1983	1984	1983	
Income									
Sales									
Vending income	\$12,017	\$15,971	\$ 76,008	\$ 63,439	\$113,338	\$109,144	\$143,701	\$142,292	\$ 36,000
Deli income	-	-	89,334	82,724	101,294	90,887	21,444	-	92,000
Total sales	<u>12,017</u>	<u>15,971</u>	<u>165,342</u>	<u>146,163</u>	<u>214,632</u>	<u>200,031</u>	<u>165,145</u>	<u>142,292</u>	<u>129,000</u>
Cost of sales	<u>9,609</u>	<u>8,967</u>	<u>82,405</u>	<u>72,097</u>	<u>107,557</u>	<u>98,074</u>	<u>85,017</u>	<u>78,705</u>	<u>63,000</u>
Gross profit	<u>2,408</u>	<u>7,004</u>	<u>82,937</u>	<u>74,066</u>	<u>107,075</u>	<u>101,957</u>	<u>80,128</u>	<u>63,587</u>	<u>65,000</u>
Expenditure									
Salaries	-	-	23,131	21,780	32,305	38,777	25,206	25,248	29,000
Licences and miscellaneous	566	529	108	2,356	1,388	2,394	642	2,359	(5,000)
Depreciation	-	642	3,840	4,700	5,937	7,614	10,365	9,766	6,000
Material and supplies	636	8,000	6,263	9,316	7,407	8,837	5,812	9,751	4,000
Repairs and maintenance	95	242	1,486	2,913	2,922	1,447	2,317	564	4,000
Overhead charges	2,103	2,795	28,935	25,579	32,195	35,005	28,900	24,901	22,000
	<u>3,400</u>	<u>12,208</u>	<u>63,763</u>	<u>66,644</u>	<u>82,154</u>	<u>94,074</u>	<u>73,242</u>	<u>72,589</u>	<u>62,000</u>
Excess of (income over expenditure) expenditure over income before guaranteed payments	992	5,204	(19,174)	(7,422)	(24,921)	(7,883)	(6,886)	9,002	(3,000)
Guaranteed payments	<u>-</u>	<u>-</u>	<u>16,500</u>	<u>13,750</u>	<u>26,806</u>	<u>15,750</u>	<u>20,000</u>	<u>15,292</u>	<u>5,000</u>
Net expenditure	<u>\$ 992</u>	<u>\$ 5,204</u>	<u>(\$ 2,674)</u>	<u>\$ 6,328</u>	<u>\$ 1,885</u>	<u>\$ 7,867</u>	<u>\$ 13,114</u>	<u>\$ 24,294</u>	<u>\$ 2,000</u>

\$1885
6000
14260