

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

JUNE 30, 1974

COOPERS & LYBRAND

CHARTERED ACCOUNTANTS

COOPERS & LYBRAND
CHARTERED ACCOUNTANTS

OFFICES THROUGHOUT CANADA
AND IN PRINCIPAL AREAS
OF THE WORLD

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August 1, 1974

AUDITORS' REPORT

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

We have examined the balance sheet of The Students' Society of McGill University as at June 30, 1974 and the statements of revenue and expenditure and surplus for the year then ended. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

Our examination of cash receipts, because of their nature, was limited to comparisons of recorded receipts with bank deposits.

With this exception, in our opinion these financial statements present fairly the financial position of the Society as at June 30, 1974 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.



CHARTERED ACCOUNTANTS

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

BALANCE SHEET AS AT JUNE 30, 1974

	1974 \$	1973 \$
ASSETS		
CASH	22,997	29,676
ACCOUNTS RECEIVABLE	20,607	11,852
FUNDS ON DEPOSIT WITH MCGILL UNIVERSITY -		
Investment reserve fund	156,947	183,803
Students' Society loan fund	4,517	2,731
PREPAID EXPENSES	<u>2,299</u>	<u>1,419</u>
	207,367	229,481
EQUIPMENT (note 1)	<u>33,737</u>	<u>34,157</u>
	<u>241,104</u>	<u>263,638</u>
LIABILITIES		
ACCOUNTS PAYABLE -		
McGill University	6,880	17,687
Other	39,870	27,555
AMOUNT DUE TO MCGILL UNIVERSITY (note 2)	<u>27,538</u>	<u>41,308</u>
	74,288	86,550
SOCIETY'S EQUITY		
SURPLUS	<u>166,816</u>	<u>177,088</u>
	<u>241,104</u>	<u>263,638</u>

SIGNED ON BEHALF OF THE COUNCIL

President

Secretary-Treasurer

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

STATEMENT OF REVENUE AND EXPENDITURE

FOR THE YEAR ENDED JUNE 30, 1974

	1974 \$	1973 \$
REVENUE		
Students' fees	319,909	300,741
Interest on investment reserve fund	14,005	16,105
Other income	<u>3,434</u>	<u>2,282</u>
	<u>337,348</u>	<u>319,128</u>
EXPENDITURE		
Students' activities - net (schedule 1)	124,786	132,034
McGill Students' Union (schedule 2)	149,868	122,707
Office and administrative (schedule 4)	48,347	48,611
General (schedule 4)	22,502	32,789
Expenditure applicable to prior years	<u>1,697</u>	<u>3,023</u>
	<u>347,200</u>	<u>339,164</u>
	(9,852)	(20,036)
Equipment purchases included in the above	6,876	15,480
Depreciation	<u>(7,296)</u>	<u>(5,301)</u>
EXCESS OF EXPENDITURE OVER REVENUE FOR THE YEAR	<u>10,272</u>	<u>9,857</u>

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

STATEMENT OF SURPLUS

FOR THE YEAR ENDED JUNE 30, 1974

	1974 \$	1973 \$
BALANCE - BEGINNING OF YEAR	177,088	186,945
Excess of expenditure over revenue for the year	<u>10,272</u>	<u>9,857</u>
BALANCE - END OF YEAR	<u>166,816</u>	<u>177,088</u>

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

STATEMENT OF STUDENTS' ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 1974

	Net expenditure (net revenue)	
	1974	1973
	\$	\$
Activities Night	130	105
African Students' Association		25
Amateur Radio Club	3,216	1,396
Arab Students' Association	40	142
Armenian Students' Association		46
Black Students' Union	1,139	1,243
Blood Donor Clinic	1,166	1,090
Bridge Club	(35)	
Camera Club	(148)	(78)
Campus Legal Aid	1,040	563
Caribbean Society	766	
Chess Club	222	780
Chinese Students' Association	2,461	629
Community Programme	945	971
Debating Union Society (schedule 8)	11,157	16,775
External Affairs	1,664	1,952
Film Society (schedule 7)	6,894	2,475
Fine Arts	608	330
Gay Society		(2,339)
Grants to Student Societies and Clubs (schedule 5)	48,737	43,546
Handbook	3,274	1,101
Hellenic Club		(46)
Indian Students' Association	95	90
Information Centre	(127)	
Interaction McGill	713	
International Students' Association	1,447	448
Italian Club	379	2
Latin American Students' Association	302	(9)
Malaysian Students' Association	178	139
McGill Annual (schedule 7)		8,443
McGill Daily (schedule 6)	29,260	37,807
Players Club (schedule 7)	3,676	1,411
Radio McGill (schedule 8)	4,685	6,694
Red & White Revue (schedule 7)	723	4,249
Savoy Society	(191)	(516)
Stamp Club	370	97
Students' Directory		1,581
U. S. Students' Association		16
West Indian Students' Association		876
	<u>124,786</u>	<u>132,034</u>

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

STATEMENT OF REVENUE AND EXPENDITURE

FOR THE YEAR ENDED JUNE 30, 1974

	1974 \$	1973 \$
MCGILL STUDENTS' UNION		
Revenue -		
Rent (McGill Bookstore)		12,000
Miscellaneous	<u>2,662</u>	<u>1,571</u>
	<u>2,662</u>	<u>13,571</u>
Expenditure -		
Salaries and wages	45,795	42,332
Light and heat	4,354	11,827
Cleaning	22,338	20,959
Repairs and alterations	21,276	26,489
Taxes	17,416	4,102
Telephone	10,766	10,112
Security	14,713	10,032
Laundry	801	1,027
Unemployment insurance	1,093	740
General	1,595	1,728
Xeroxing and duplicating	1,841	2,009
Social committee	<u>98</u>	<u>4,072</u>
	<u>142,086</u>	<u>135,429</u>
	139,424	121,858
Excess of expenditure transferred from cafeteria (schedule 3)	<u>10,444</u>	<u>849</u>
Net expenditure	<u>149,868</u>	<u>122,707</u>

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

STATEMENT OF REVENUE AND EXPENDITURE

FOR THE YEAR ENDED JUNE 30, 1974

	1974 \$	1973 \$
MCGILL STUDENTS' UNION CAFETERIA		
Revenue -		
Vending machines and commission from caterer	<u>8,704</u>	<u>14,425</u>
Expenditure -		
Cutlery, dishes and kitchen utensils	5,985	7,943
Repairs	2,232	5,910
Miscellaneous	354	1,421
Loss on manual cafeteria operations	<u>10,577</u>	<u> </u>
	<u>19,148</u>	<u>15,274</u>
Net expenditure transferred to Union	<u>10,444</u>	<u>849</u>

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

STATEMENT OF REVENUE AND EXPENDITURE

FOR THE YEAR ENDED JUNE 30, 1974

	1974	1973
	\$	\$
OFFICE AND ADMINISTRATIVE		
Salaries and benefits	29,460	35,704
Postage, stationery and printing	1,604	1,081
Telephone and telegraph	43	740
Audit fees	2,150	1,450
Legal fees	6,461	1,008
Supplies	450	1,114
Advertising	213	1,731
Insurance	3,347	2,725
Miscellaneous	<u>4,619</u>	<u>3,058</u>
	<u>48,347</u>	<u>48,611</u>
GENERAL		
Meal allowance and other - Society directors' expense	1,672	1,850
Travelling	51	727
Election	6,904	5,393
Meetings	1,811	951
Bad debts	4,750	13,572
Interest - McGill University (note 2)	2,466	3,173
Retirement and other gifts		3,376
Typesetting (schedule 9)	1,226	3,747
Disco-Pub	3,591	
Miscellaneous	<u>31</u>	<u> </u>
	<u>22,502</u>	<u>32,789</u>

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

STATEMENT OF REVENUE AND EXPENDITURE

FOR THE YEAR ENDED JUNE 30, 1974

GRANTS TO STUDENT SOCIETIES AND CLUBS

A.I.E.S.E.C.	216
Architecture Undergraduates' Society	1,130
Arts and Science Undergraduates' Society	12,555
Drop in the Bucket Programme	667
Education Undergraduates' Society	4,800
Engineering Undergraduates' Society	5,502
Inter-Residence Council	1,500
George Kopp	1,900
Law Undergraduates' Society	4,045
Management Undergraduates' Society	3,600
Medical Students' Society	2,922
Music Undergraduates' Society	800
Physical and Occupational Therapy Society	600
Redmen Marching Band	100
Post Graduates' Students Society	7,500
School of Nursing	600
Theological Undergraduates' Society	<u>300</u>
	<u>\$48,737</u>

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

STATEMENT OF REVENUE AND EXPENDITURE

FOR THE YEAR ENDED JUNE 30, 1974

	1974 \$	1973 \$
McGILL DAILY		
Revenue -		
Advertising	71,384	56,949
Subscriptions	<u>210</u>	<u>50</u>
	<u>71,594</u>	<u>56,999</u>
Expenditure -		
Publishing cost	71,114	71,173
Proofreading	4,432	4,000
Salaries and wages	14,571	9,979
Travelling	1,123	1,979
Postage and stationery	1,353	931
Rental and maintenance of typewriters	927	987
Telephone and telegraph	995	1,502
Dinners	2,411	1,797
Photographs and supplies	1,919	1,108
Subscriptions to periodicals	145	474
Miscellaneous	<u>1,864</u>	<u>876</u>
	<u>100,854</u>	<u>94,806</u>
Net expenditure	<u>29,260</u>	<u>37,807</u>

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

STATEMENT OF REVENUE AND EXPENDITURE

FOR THE YEAR ENDED JUNE 30, 1974

	McGill Annual	Film Society	Red & White Revue	Players Club
Revenue -				
Sales	2,721	13,712	7,792	3,753
Advertising	5,700		730	
Membership fees		2,299		
Photography	741			
Sundry	<u>3,130</u>	<u>481</u>	<u>205</u>	<u>316</u>
	<u>12,292</u>	<u>16,492</u>	<u>8,727</u>	<u>4,069</u>
Expenditure -				
Music and orchestra			65	
Amusement tax		1,550		351
Printing and publicity	11,537	3,039	2,225	1,671
Rentals	86	10,465	570	179
Wages		4,713	3,875	
Dinners		164		
Scenery and properties			1,126	1,046
Costumes and make-up			605	243
Lighting				1,289
Script and royalties			65	933
Photographs and drawings	639			
Miscellaneous	30	235	919	2,033
Equipment and repairs		<u>3,220</u>		
	<u>12,292</u>	<u>23,386</u>	<u>9,450</u>	<u>7,745</u>
Net expenditure	<u>\$ -</u>	<u>6,894</u>	<u>723</u>	<u>3,676</u>

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

STATEMENT OF REVENUE AND EXPENDITURE

FOR THE YEAR ENDED JUNE 30, 1974

	Debating Union Society	Radio McGill
Revenue -		
Advertising	<u>-</u>	<u>2,096</u>
Expenditure -		
Printing, postage, stationery and publicity	2,013	258
Refreshments		629
Rentals	53	63
Telephone and telegraph	42	1,332
Equipment including repairs		3,804
Away debates	1,400	
Speakers' programme	7,467	
High school debate	(440)	
Transportation and accommodation		63
Miscellaneous	<u>622</u>	<u>632</u>
	<u>11,157</u>	<u>6,781</u>
Net expenditure	<u>\$11,157</u>	<u>4,685</u>

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

STATEMENT OF REVENUE AND EXPENDITURE

FOR THE YEAR ENDED JUNE 30, 1974

TYPESETTING

Revenue -	
McGill Daily	29,136
Others	<u>48,169</u>
	<u>77,305</u>
Expenditure -	
Salaries and wages	58,454
Fringe benefits	2,289
Equipment rental	7,150
Photographic supplies	6,035
Paper and paste-up supplies	2,220
Equipment purchase	2,204
Miscellaneous	<u>179</u>
	<u>78,531</u>
Net expenditure	<u>\$ 1,226</u>

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 1974

1. EQUIPMENT AND RELATED ACCUMULATED DEPRECIATION

Equipment and related accumulated depreciation are classified as follows:

	<u>June 30, 1974</u>			<u>June 30, 1973</u>
	Cost	Accumulated depreciation	Net	Net
	\$	\$	\$	\$
Radio	41,091	22,691	18,400	19,694
Photographic and film	7,309	1,943	5,366	4,295
Typesetting	6,487	1,683	4,804	4,655
Other	<u>7,102</u>	<u>1,935</u>	<u>5,167</u>	<u>5,513</u>
	<u>61,989</u>	<u>28,252</u>	<u>33,737</u>	<u>34,157</u>

2. MCGILL STUDENTS' HOUSING CORPORATION LOAN

In 1969 the McGill Students' Housing Corporation entered into an agreement with McGill University whereby the University agreed to lend the sum of \$500,000 to the McGill Students' Housing Corporation for the purpose of interim financing of construction of a students' residence. The Students' Society of McGill University, as a party to the agreement, guaranteed all obligations incurred therein by the corporation.

Funds of approximately \$312,350 were advanced to the corporation before plans to construct the residence were abandoned. McGill University assumed title to the property and credited the corporation with \$210,000 leaving a balance due of \$102,350. The property was subsequently sold by McGill University for approximately \$175,000.

To date no formal agreement has been negotiated between the Students' Society and McGill University, but the parties have agreed by letter that the loss to be absorbed by the Society amounts to \$73,223 and is payable in annual instalments of \$13,770 terminating in 1976, with interest at 5 $\frac{3}{4}$ %. The instalments will be deducted at source from students' activity fees collected by McGill University for the Society.

3. CONTINGENT LIABILITIES AND LONG-TERM COMMITMENTS

- (i) Equipment rentals totalling approximately \$6,500 per annum are payable under long-term leases expiring in June 1978.
- (ii) The Students' Society is the defendant in a lawsuit by Lyons Food Caterers Ltd. in the amount of \$42,000. In the opinion of legal counsel for the Society no provision for the payment of this amount is required.