

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

REPORT AND FINANCIAL STATEMENTS

MAY 31, 1979

A U D I T O R S ' R E P O R T

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, 1979 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, 1979 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.

Touche Ross & Co.

Chartered Accountants

Montreal, Quebec
August 24, 1979

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

BALANCE SHEET AS AT MAY 31, 1979

ASSETS

	<u>1979</u>	<u>1978</u>
Cash	\$ 14,785	\$ 11,667
Accounts receivable	41,979	20,683
Funds on deposit with McGill University		
Investment reserve fund	107,611	107,611
Students' Society loan fund	-	8,191
Short-term investments	136,248	-
Inventory, at the lower of cost and net realizable value	31,088	14,680
Prepaid expenses	<u>164</u>	<u>3,700</u>
	331,875	166,532
Equipment (Note 4)	<u>143,622</u>	<u>84,197</u>
	<u>\$475,497</u>	<u>\$250,729</u>

LIABILITIES

Accounts payable		
McGill University	\$249,858	\$ 40,631
Other	34,597	51,449
Commitments on outstanding projects	5,983	-
Current portion loan payable	<u>10,000</u>	<u>-</u>
	300,438	92,080
Loan payable (Note 2)	<u>22,847</u>	<u>-</u>
	323,285	92,080

SOCIETY'S EQUITY

Surplus	<u>152,212</u>	<u>158,649</u>
	<u>\$475,497</u>	<u>\$250,729</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, 1979

	<u>1979</u>	<u>1978</u>
Revenue		
Students' fees	\$395,453	\$384,164
Interest on investment reserve fund	23,904	9,712
Vending machine income	-	1,281
Rental of rooms	-	1,167
Other income	95	189
	<u>419,452</u>	<u>396,513</u>
Expenditure (Other Income)		
Students' Activities - net (Schedule 1)	119,975	120,520
McGill Students' University Center (Schedule 2)	160,363	135,427
University Centre Cafeteria (Schedule 3)	1,294	12,950
Typesetting (Schedule 4)	28,600	7,741
Gertrude's Pub & Pizzeria (Schedule 5)	(78,637)	(41,299)
Office and Administrative (Schedule 6)	163,513	144,723
General (Schedule 6)	17,077	3,665
Sadie's Tabagie and Information Booth (Schedule 10)	3,407	4,907
Items applicable prior years	2,597	6,495
Write-off of student loans	7,700	-
	<u>425,889</u>	<u>395,129</u>
Excess of (expenditure over revenue) revenue over expenditure for the year	<u>\$ (6,437)</u>	<u>\$ 1,384</u>

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

STATEMENT OF SURPLUS
FOR THE YEAR ENDED MAY 31, 1979

	<u>1979</u>	<u>1978</u>
Balance - beginning of year	\$158,649	\$157,265
Excess of (expenditure over revenue) revenue over expenditure for the year	<u>(6,437)</u>	<u>1,384</u>
Balance - end of year	<u>\$152,212</u>	<u>\$158,649</u>

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MAY 31, 1979

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.

2. Loan Payable

This loan was obtained from McGill University interest free on the conditions the balance be repaid in equal instalments on May 31, 1979 and on May 31, 1980. However, if these repayment terms are not met, the loan is extended to May 31, 1981 and interest is payable at the prime interest rate.

3. Light, Heating and Air Conditioning Expense

Light, heating and air conditioning expense of \$152,981 for the University Center have been paid by McGill University on behalf of the Society (1978 - \$125,000).

The Students' Society of McGill University
Notes to the Financial Statements
For the year ended May 31, 1979

4. Equipment and Related Accumulated Depreciation

	-----1979-----			1978
	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net</u>	<u>Net</u>
S.S.T. Typesetting	\$ 74,105	\$ 24,493	\$ 49,612	\$17,001
Gertrude's Pub	46,376	13,827	32,549	13,453
Radio McGill	42,852	32,391	10,461	13,077
Amateur Radio	9,520	6,878	2,642	3,303
Film Society	7,222	3,572	3,650	4,562
Sadie's Tabagie	3,187	1,147	2,040	2,550
University Center	57,096	25,267	31,829	23,880
Cafeteria	8,972	3,230	5,742	-
Administration	7,965	2,867	5,097	6,371
	<u>\$257,295</u>	<u>\$113,672</u>	<u>\$143,622</u>	<u>\$84,197</u>

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

ADDITIONAL INFORMATION

MAY 31, 1979

ADDITIONAL INFORMATION

In connection with our examination of the financial statements of The Students' Society of McGill University for the year ended May 31, 1979, 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.

Touche Ross Co.

Chartered Accountants

Montreal, Quebec
August 24, 1979

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITYSTATEMENT OF STUDENTS' ACTIVITIES
FOR THE YEAR ENDED MAY 31, 1979

	<u>1979</u>	<u>1978</u>
<u>Net Expenditure (Revenue)</u>		
Activities Night	\$ 1,129	\$ -
Amateur Radio Club	3,110	970
Arab Student Association	151	-
Armenian Club	250	57
Blood Donor Clinic	1,732	1,283
Camera Club	380	566
Campus Legal Aid	9,202	10,320
Caribbean Society	613	136
Chinese Students' Association	449	558
Community McGill	407	739
Debating Union Society (Schedule 9)	8,089	8,020
Entertainment Committee	6,000	1,581
External Affairs	-	765
Film Society (Schedule 8)	6,311	8,142
Gay McGill	339	-
Greenpeace	(8)	181
Hellenic Club	81	16
I.S.A.	2,929	1,016
Italian Club	(72)	398
Latin American Students' Association	(289)	-
Malaysian Students' Association	174	175
McGill Annual (Schedule 8)	(1,805)	(921)
McGill Daily (Schedule 7)	56,351	59,016
Players' Club (Schedule 8)	5,595	5,289
Radio McGill (Schedule 9)	9,199	9,987
Savoy Society	647	449
Second Hand Book Sale	518	460
Student Handbook	(221)	6,618
Student Society Liaison Project	1,096	-
South Asia Students' Association	2	10
Student Security	2,016	935
Winter Carnival	254	-
Women's Union	4,224	2,727
Miscellaneous Clubs	1,122	1,027
	<u>\$119,975</u>	<u>\$120,520</u>

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITYSTATEMENT OF MCGILL STUDENTS' UNIVERSITY CENTER
FOR THE YEAR ENDED MAY 31, 1979

	<u>1979</u>	<u>1978</u>
Revenue		
Parking income	\$ 9,298	\$ 8,749
Vending machines	1,860	1,332
Room rentals	15,045	5,403
Miscellaneous	81	8
	<u>26,284</u>	<u>15,492</u>
Expenditures		
Salaries and wages	54,639	28,589
Cleaning and security	78,334	62,099
Repairs and alterations	20,891	35,942
Materials and supplies	16,034	12,417
Stationery and postage	409	465
Advertising	358	230
Insurance and taxes	4,026	2,997
Telephone	2,919	1,504
Gaz	444	371
Miscellaneous expenses	636	335
Depreciation	7,957	5,970
	<u>186,647</u>	<u>150,919</u>
Net expenditure	<u>\$160,363</u>	<u>\$135,427</u>

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITYSTATEMENT OF UNIVERSITY CENTER CAFETERIA OPERATIONS
FOR THE YEAR ENDED MAY 31, 1979

	<u>1979</u>	<u>1978</u>
Sales	\$201,895	\$183,510
Cost of sales	<u>91,800</u>	<u>79,501</u>
Gross profit	<u>110,095</u>	<u>104,009</u>
Expenditure		
Salaries and wages	78,886	94,717
Fringe benefits	4,439	5,254
Meal benefits	-	2,292
Materials and supplies	8,740	8,338
Telephone	581	381
Repairs	12,454	2,128
Publicity	414	670
Laundry	-	450
Miscellaneous	1,117	552
U.S. exchange	-	(53)
Overage	-	(798)
Depreciation	1,436	3,028
Contract services	<u>3,322</u>	<u>-</u>
	<u>111,389</u>	<u>116,959</u>
Net expenditure	<u>\$ 1,294</u>	<u>\$ 12,950</u>

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITYSTATEMENT OF TYPESETTING OPERATIONS
FOR THE YEAR ENDED MAY 31, 1979

	<u>1979</u>	<u>1978</u>
Revenue	<u>\$130,636</u>	<u>\$121,463</u>
Expenditure		
Salaries and wages	119,046	97,997
Fringe benefits	4,892	5,278
Equipment rental	882	7,062
Paper, printing and supplies	\$24,108	
Less: Inventory, May 31, 1979	<u>6,260</u>	11,862
Repairs	321	1,239
Travel and car expense	1,387	370
Telephone	964	559
Bad debt expense	-	280
Depreciation	12,403	4,250
Training expense	500	-
Miscellaneous	<u>993</u>	<u>307</u>
	<u>159,236</u>	<u>129,204</u>
Net expenditure	<u>\$ 28,600</u>	<u>\$ 7,741</u>

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITYSTATEMENT OF GERTRUDE'S PUB & PIZZERIA OPERATIONS
FOR THE YEAR ENDED MAY 31, 1979

	<u>1979</u>	<u>1978</u>
Revenue		
Sales		
Beer and liquor	\$263,480	\$117,728
Mixes	11,205	4,722
Food	<u>221,408</u>	<u>44,047</u>
	<u>496,093</u>	<u>166,497</u>
Purchases		
Beer and liquor	109,415	36,452
Mixes	6,520	2,568
Food	<u>117,149</u>	<u>24,191</u>
	233,084	63,211
Less: Inventory May 31, 1979	<u>22,299</u>	<u>8,944</u>
	<u>210,785</u>	<u>54,267</u>
Gross profit	285,308	112,230
Games machine income	15,907	5,234
Miscellaneous sales	<u>-</u>	<u>1,097</u>
Income before expenditures	<u>301,215</u>	<u>118,561</u>
Expenditures		
Material and supplies	17,939	4,815
Repairs	9,632	4,107
Printing and stationery	379	188
Postage and miscellaneous	2,239	959
Advertising	4,134	2,336
Entertainment	8,855	2,269
Telephone	725	335
Insurance	30	40
Gaz	494	42
Salaries and wages	170,014	58,808
Depreciation	<u>8,137</u>	<u>3,363</u>
	<u>222,578</u>	<u>77,262</u>
Net income	<u>\$ (78,637)</u>	<u>\$ (41,299)</u>

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITYSTATEMENT OF EXPENDITURE
FOR THE YEAR ENDED MAY 31, 1979

	<u>1979</u>	<u>1978</u>
<u>Office and Administrative</u>		
Salaries and benefits	\$120,198	\$118,995
Casual wages	18,115	-
Postage, stationery and printing	7,107	4,612
Xerox expense - net	2,897	-
Telephone and telegraph	3,685	3,939
Legal and audit fees	5,254	6,612
Supplies	1,095	1,968
Advertising	3,146	3,604
Insurance	2,016	4,695
Miscellaneous	-	298
	<u>\$163,513</u>	<u>\$144,723</u>
 <u>General</u>		
Travelling	\$ 3,120	\$ 541
Election	2,080	75
Interest and bank charges	-	94
Bad debts	(5,742)	555
Promotion	-	125
Depreciation	1,274	1,593
Miscellaneous	1,294	682
Computer charges	6,666	-
Honorarias	8,385	-
	<u>\$ 17,077</u>	<u>\$ 3,665</u>

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

STATEMENT OF MCGILL DAILY OPERATIONS
FOR THE YEAR ENDED MAY 31, 1979

	<u>1979</u>	<u>1978</u>
Revenue - advertising	<u>\$100,873</u>	<u>\$ 97,938</u>
Expenditure		
Publishing cost	65,938	64,030
Typesetting	35,951	37,249
Salaries and wages	28,480	33,713
Fringe benefits	788	-
Travelling	3,922	2,255
Postage and miscellaneous	690	1,520
Printing and stationery	251	-
Rental and maintenance of typewriters	2,828	2,511
Telephone and telegraph	1,802	1,832
Dinners	753	963
Photographs and supplies	748	861
Subscriptions to periodicals	371	63
C.U.P. Conference	6,233	10,010
Bad debts	4,767	1,172
Binding	1,702	775
Contract services	<u>2,000</u>	<u>-</u>
	<u>157,224</u>	<u>156,954</u>
Net expenditure transferred to Schedule 1	<u>\$ 56,351</u>	<u>\$ 59,016</u>

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

STATEMENT OF REVENUE AND EXPENDITURE
FOR THE YEAR ENDED MAY 31, 1979

	<u>McGill Annual</u>		<u>Film Society</u>		<u>Players Club</u>	
	<u>1979</u>	<u>1978</u>	<u>1979</u>	<u>1978</u>	<u>1979</u>	<u>1978</u>
Revenue						
Admissions	\$ -	\$ -	\$16,488	\$16,088	\$ 6,270	\$ 5,852
Advertising	750	775	-	-	-	-
Sundry	8,298	3,549	-	-	-	-
Photography	9,540	10,416	-	-	-	-
	<u>18,588</u>	<u>14,740</u>	<u>16,488</u>	<u>16,088</u>	<u>6,270</u>	<u>5,852</u>
Expenditure						
Amusement tax	-	-	1,433	1,541	365	529
Printing and publicity	15,048	11,853	2,041	1,896	2,705	2,558
Rentals	20	-	16,002	18,229	292	290
Honorariums	1,838	900	685	240	1,470	2,660
Dinners	-	-	50	203	-	-
Scenery and properties	-	-	-	-	2,280	1,512
Costumes and make-up	-	-	-	-	1,308	1,436
Lighting	-	-	-	-	208	304
Telephone	-	-	252	238	290	291
Script and royalties	-	-	-	-	1,214	810
Photography	1,106	624	-	-	35	-
Postage and miscellaneous	160	167	420	30	964	407
Materials and supplies	416	275	457	501	265	297
Travel and taxi expense	-	-	458	1,284	469	47
Subscription	-	-	89	68	-	-
Depreciation	-	-	912	-	-	-
Year book	(1,805)	-	-	-	-	-
	<u>16,783</u>	<u>13,819</u>	<u>22,799</u>	<u>24,230</u>	<u>11,865</u>	<u>11,141</u>
Net (income) expenditure transferred to Schedule 1	<u>\$ (1,805)</u>	<u>\$ (921)</u>	<u>\$ 6,311</u>	<u>\$ 8,142</u>	<u>\$ 5,595</u>	<u>\$ 5,289</u>

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITYSTATEMENT OF REVENUE AND EXPENDITURE
FOR THE YEAR ENDED MAY 31, 1979

	<u>Debating Union Society</u>		<u>Radio McGill</u>	
	<u>1979</u>	<u>1978</u>	<u>1979</u>	<u>1978</u>
Revenue				
Advertising	\$ -	\$ -	\$ 30	\$ -
Admissions	<u>3,505</u>	<u>3,582</u>	<u>-</u>	<u>-</u>
	<u>3,505</u>	<u>3,582</u>	<u>30</u>	<u>-</u>
Expenditure				
Printing, postage, stationery and publicity	1,775	1,632	1,036	766
Rentals	1,134	2,209	645	754
Telephone and telegraph	279	272	1,959	1,914
Repairs	-	510	1,471	1,519
Away debates	2,096	1,697	-	-
Speakers' programme (Honoraria)	3,506	4,242	-	500
High school debate	2,246	824	-	-
Miscellaneous	558	216	704	112
Depreciation	-	-	2,615	3,269
Records	<u>-</u>	<u>-</u>	<u>799</u>	<u>1,153</u>
	<u>11,594</u>	<u>11,602</u>	<u>9,229</u>	<u>9,987</u>
Net expenditure transferred to Schedule 1	<u>\$ 8,089</u>	<u>\$ 8,020</u>	<u>\$9,199</u>	<u>\$9,987</u>

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITYSTATEMENT OF TABAGIE OPERATIONS
FOR THE YEAR ENDED MAY 31, 1979

	<u>1979</u>	<u>1978</u>
Revenue		
Sales		
Metro tickets and stamps	\$15,308	\$13,455
Tobacco products	24,448	13,300
Confectionery	5,918	2,600
Miscellaneous	<u>9,066</u>	<u>3,785</u>
	<u>54,740</u>	<u>33,140</u>
Purchases		
Metro tickets and stamps	15,580	13,571
Tobacco products	20,409	10,952
Confectionery	4,995	1,858
Miscellaneous	<u>6,895</u>	<u>2,684</u>
	47,879	29,065
Less: Inventory May 31, 1979	<u>1,329</u>	<u>1,294</u>
	<u>46,550</u>	<u>27,771</u>
Gross profit	8,190	5,369
Commission income	<u>1,809</u>	<u>1,053</u>
	<u>9,999</u>	<u>6,422</u>
Expenditures		
Material and supplies	270	492
Printing and stationery	40	244
Postage and miscellaneous	581	201
Advertising	526	503
Salaries	4,417	3,357
Casual wages	6,542	5,452
Fringe benefits	520	443
Depreciation	<u>510</u>	<u>637</u>
	<u>13,406</u>	<u>11,329</u>
Net expenditure	<u>\$ 3,407</u>	<u>\$ 4,907</u>