

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

REPORT AND FINANCIAL STATEMENTS

MAY 31, 1982

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, 1982 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, 1982 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 29, 1983.

  
Chartered Accountants



## THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

BALANCE SHEET AS AT MAY 31, 1982

	<u>1982</u>	<u>1981</u>
<u>ASSETS</u>		
Cash	\$ 17,000	\$ 28,955
Short-term investments	27,153	18,982
Funds on deposit with McGill University		
Investment reserve fund	108,000	107,611
Accounts receivable	10,194	19,369
Loan receivable (Note 2)	7,001	28,716
Inventories	81,578	85,911
Prepaid expense	<u>10,420</u>	<u>17,000</u>
	261,346	306,544
Equipment (Note 3)	<u>283,611</u>	<u>297,067</u>
	<u>\$544,957</u>	<u>\$603,611</u>
<u>LIABILITIES AND DEFICIT</u>		
Accounts payable		
McGill University	\$464,561	\$416,530
Other	24,226	27,218
Current portion of loans payable (Note 4)	<u>95,882</u>	<u>62,229</u>
	584,669	505,977
Loans payable (Note 4)	<u>26,618</u>	<u>70,820</u>
	611,287	576,797
(Deficit) surplus	<u>(66,330)</u>	<u>26,814</u>
	<u>\$544,957</u>	<u>\$603,611</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, 1982

	<u>1982</u>	<u>1981</u>
Income		
Students' fees	\$452,811	\$519,931
Interest on short-term investments	21,883	21,574
Other income	<u>17,000</u>	<u>58,106</u>
	<u>491,694</u>	<u>599,611</u>
Expenditure		
Students' Activities, net (Schedule 1)	158,764	223,763
McGill Students' University Centre (Schedule 2) (Note 5)	236,684	217,392
University Centre Cafeteria (Schedule 3)	11,381	15,131
Typesetting	-	(9,726)
Gertrude's Pub & Pizzeria (Schedule 4)	(93,633)	(83,016)
Office and Administrative (Schedule 5)	160,586	188,652
General (Schedule 5)	28,706	22,355
Sadie's Tabagie (Schedule 9)	21,964	14,214
Vending (Schedule 10)	<u>60,386</u>	<u>50,964</u>
	<u>584,838</u>	<u>639,729</u>
Excess of expenditure over income for the year	93,144	40,118
Surplus, beginning of the year	<u>26,814</u>	<u>66,932</u>
(Deficit) surplus, end of the year	<u>(\$ 66,330)</u>	<u>\$ 26,814</u>

## THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

## NOTES TO FINANCIAL STATEMENTS

MAY 31, 1982

## 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. Loan receivable

This loan represents the balance on sale of typesetting equipment.

## 3. Equipment and related accumulated depreciation

	1982			1981
	Cost	Accumulated depreciation	Net	Net
Gertrude's Pub	\$ 85,784	\$ 47,313	\$ 38,471	\$ 46,629
Radio McGill	46,810	38,934	7,876	8,295
Amateur Radio	9,520	8,167	1,353	1,691
Film Society	7,222	5,353	1,869	2,336
Sadie's Tabagie	5,162	3,107	2,055	2,570
University Centre	114,401	67,441	46,960	62,981
Cafeteria	55,689	27,234	28,455	32,436
Administration	7,964	5,354	2,610	3,262
Vending machines	223,214	77,330	145,884	126,770
Micro-computer	12,621	4,543	8,078	10,097
	<u>\$568,387</u>	<u>\$284,776</u>	<u>\$283,611</u>	<u>\$297,067</u>

The Students' Society of McGill University  
 Notes to Financial Statements  
 May 31, 1982

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4. 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 outstanding amounts and the terms of these loans are as follows:

<u>Date of loan</u>	<u>Outstanding May 31, 1982</u>	<u>Final repayment date</u>
June 1980	\$23,410	June 1, 1983
August 1981	\$ 3,208	August 24, 1984

The unpaid portion of this interest-free loan due on June 1, 1983 bears interest at the bank prime rate of interest from this date. The loan due on August 24, 1984 bears interest at 10% per annum.

Current portion of loans payable

The balance of \$95,882 includes an amount of \$48,000 which bears interest at the bank prime rate of interest less 1% effective June 1, 1982 and an amount of \$46,820 which bears interest at the bank prime rate of interest effective June 1, 1983. Of this balance of \$95,882, \$47,410 was due on June 1, 1981.

5. Heat, electricity and air conditioning expense

Heat, electricity and air conditioning expense of \$234,498 for the University Centre has been paid by McGill University (1981 - \$175,173).

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

ADDITIONAL INFORMATION

MAY 31, 1982

ADDITIONAL INFORMATION

In connection with our examination of the financial statements of The Students' Society of McGill University for the year ended May 31, 1982, 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,  
August 29, 1983.

*Touche Ross Co.*

Chartered Accountants



Schedule 1

## THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

STATEMENT OF STUDENTS' ACTIVITIES  
FOR THE YEAR ENDED MAY 31, 1982

	<u>1982</u>	<u>1981</u>
Net expenditure (income)		
Activities Night	\$ 39	\$ 823
Amateur Radio Club	1,839	1,361
Arab Student Association	244	491
Armenian Club	433	134
African Students' Association	216	387
Blood Donor Clinic	(147)	1,761
Camera Club	740	709
Campus Legal Aid	11,769	10,501
Caribbean Society	289	413
Chinese Students' Association	732	349
Communications	1,919	2,597
Community McGill	891	911
Councils and Committees	21,747	17,696
Debating Union Society (Schedule 8)	8,938	12,225
Educational Programming	1,788	1,618
Entertainment Committee	9,019	8,641
External Affairs	13,137	10,046
Film Society (Schedule 7)	6,828	13,877
Gay McGill	(235)	355
Greenpeace	383	616
Hellenic Club	536	389
International Students' Association	1,570	2,928
Italian Club	394	-
Latin American Students' Association	-	846
Malaysian Students' Association	413	560
McGill Annual (Schedule 7)	9,703	(5,167)
McGill Daily (Schedule 6)	17,339	77,961
Players' Club (Schedule 7)	(1,723)	4,910
Polish Students' Association	427	651
Radio McGill (Schedule 8)	11,438	10,774
Savoy Society	(713)	869
Second Hand Book Sale	167	-
Student Handbook	1,748	2,373
Student Society Liaison Project	(454)	(596)
South Asia Students' Association	-	517
Student Security	10,658	19,229
Tribune Newsletter	8,497	-
Ukrainian Student Society	744	880
Vietnamese Student Society	213	482
Welcome Week	1,028	1,274
Winter Carnival	1,239	1,236
Women's Union	5,689	4,760
Miscellaneous clubs	9,282	13,376
	<u>\$158,764</u>	<u>\$223,763</u>

Schedule 2

## THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

STATEMENT OF MCGILL STUDENTS' UNIVERSITY CENTRE OPERATIONS  
FOR THE YEAR ENDED MAY 31, 1982

	<u>1982</u>	<u>1981</u>
Income		
Parking income	\$ 12,072	\$ 11,105
Room rentals	16,882	22,154
Miscellaneous	-	131
	<u>28,954</u>	<u>33,390</u>
Expenditure		
Salaries and wages	87,716	80,475
Cleaning and security	73,907	63,777
Repairs and alterations	43,556	47,960
Materials and supplies	42,308	32,347
Stationery and postage	651	2,340
Advertising	-	56
Insurance and taxes	99	132
Telephone	3,728	6,043
Miscellaneous	930	1,907
Depreciation	12,743	15,745
	<u>265,638</u>	<u>250,782</u>
Net expenditure	<u>\$236,684</u>	<u>\$217,392</u>

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY  
 STATEMENT OF UNIVERSITY CENTRE CAFETERIA OPERATIONS  
 FOR THE YEAR ENDED MAY 31, 1982

	<u>1982</u>	<u>1981</u>
Sales	\$362,062	\$295,172
Cost of sales	<u>177,410</u>	<u>129,509</u>
Gross profit	<u>184,652</u>	<u>165,663</u>
Expenditure		
Salaries and wages	116,637	107,694
Fringe benefits	8,002	6,370
Materials and supplies	33,164	30,298
Telephone	-	215
Repairs	14,086	12,503
Publicity	178	56
Miscellaneous	1,639	1,084
Depreciation	6,574	8,109
Contract services	<u>15,753</u>	<u>14,465</u>
	<u>196,033</u>	<u>180,794</u>
Net expenditure	<u>\$ 11,381</u>	<u>\$ 15,131</u>

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY  
 STATEMENT OF GERTRUDE'S PUB & PIZZERIA OPERATIONS  
 FOR THE YEAR ENDED MAY 31, 1982

	<u>1982</u>	<u>1981</u>
Income		
Sales		
Beer and liquor	\$447,301	\$392,922
Food	<u>265,238</u>	<u>248,732</u>
	<u>712,539</u>	<u>641,654</u>
Cost of sales		
Beer and liquor	194,481	155,172
Food	<u>129,967</u>	<u>125,732</u>
	<u>324,448</u>	<u>280,904</u>
Gross profit	388,091	360,750
Games machine income	<u>47,560</u>	<u>30,919</u>
Income before expenditure	<u>435,651</u>	<u>391,669</u>
Expenditure		
Material and supplies	49,655	51,365
Repairs	11,225	16,151
Printing and stationery	440	1,654
Postage and miscellaneous	7,112	8,165
Advertising	2,842	5,170
Entertainment	11,504	15,745
Telephone	2,673	2,225
Insurance	533	387
Gas	2,136	1,052
Contract services	12,872	-
Salaries and wages	231,570	195,082
Depreciation	<u>9,456</u>	<u>11,657</u>
	<u>342,018</u>	<u>308,653</u>
Net income	<u>(\$ 93,633)</u>	<u>(\$ 83,016)</u>

## THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

STATEMENT OF EXPENDITURE  
FOR THE YEAR ENDED MAY 31, 1982

	<u>1982</u>	<u>1981</u>
Office and Administrative		
Salaries and benefits	\$173,288	\$154,680
Casual wages	44,516	46,567
Postage, stationery and printing	9,726	12,033
Telephone and telegraph	7,987	5,948
Legal and audit fees	5,678	6,762
Supplies	623	7,592
Advertising	699	2,290
Insurance	8,054	9,388
Overhead recoveries	<u>(89,985)</u>	<u>(56,608)</u>
	<u>\$160,586</u>	<u>\$188,652</u>
General		
Travelling	\$ 310	\$ 1,881
Election	7,554	5,784
Bad debts	6,736	6,713
Depreciation	2,672	3,340
Miscellaneous	5,434	4,637
Computer charges	<u>6,000</u>	<u>-</u>
	<u>\$ 28,706</u>	<u>\$ 22,355</u>

Schedule 6

## THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

STATEMENT OF MCGILL DAILY OPERATIONS  
FOR THE YEAR ENDED MAY 31, 1982

	<u>1982</u>	<u>1981</u>
Income - advertising	\$ -	\$119,778
Expenditure		
Publishing cost	-	54,949
Typesetting	-	58,245
Salaries and wages	-	45,666
Fringe benefits	-	1,971
Travelling	-	2,457
Postage and miscellaneous	481	1,265
Printing and stationery	-	2,693
Rental and maintenance of typewriters	-	2,818
Telephone and telegraph	-	3,979
Dinners	-	400
Photographs and supplies	-	797
Subscriptions to periodicals	-	68
C.U.P. Conference	-	10,826
Bad debts	14,533	345
Binding	-	753
Contract services	-	378
Legal fees	-	1,536
	<u>15,014</u>	<u>189,146</u>
	15,014	69,368
Loss on transfer of net assets to Daily Publications Society	2,325	-
Guaranteed subsidy	<u>-</u>	<u>8,593</u>
Net expenditure transferred to Schedule 1	<u>\$17,339</u>	<u>\$ 77,961</u>

## THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

STATEMENT OF INCOME AND EXPENDITURE  
FOR THE YEAR ENDED MAY 31, 1982

	McGill Annual		Film Society		Players' Club	
	1982	1981	1982	1981	1982	1981
<b>Income</b>						
Admissions	\$ -	\$ -	\$23,657	\$17,441	\$12,301	\$ 6,211
Advertising	1,327	2,085	-	-	-	-
Sundry	15,015	12,968	-	-	1,494	262
Photography	14,749	13,986	-	-	-	-
	<u>31,091</u>	<u>29,039</u>	<u>23,657</u>	<u>17,441</u>	<u>13,795</u>	<u>6,473</u>
<b>Expenditure</b>						
Amusement tax	-	-	2,208	1,623	856	569
Printing and publicity	23,008	14,251	2,866	2,565	2,093	949
Rentals	-	-	22,581	25,051	36	191
Honoraria	1,150	738	640	640	449	1,540
Scenery and properties	-	-	-	-	2,266	2,296
Costumes and make-up	-	-	-	-	1,436	901
Lighting	-	-	-	-	983	891
Telephone	-	-	466	419	547	399
Script and royalties	-	-	-	-	675	1,182
Photography	1,379	352	-	-	-	5
Postage and miscellaneous	3,294	4,082	985	213	1,778	1,151
Materials and supplies	357	945	111	55	889	1,266
Travel and taxi expense	-	58	161	168	64	43
Depreciation	-	-	467	584	-	-
Year book	11,606	3,446	-	-	-	-
	<u>40,794</u>	<u>23,872</u>	<u>30,485</u>	<u>31,318</u>	<u>12,072</u>	<u>11,383</u>
<b>Net expenditure (income) transferred to Schedule 1</b>	<u>\$ 9,703</u>	<u>(\$ 5,167)</u>	<u>\$ 6,828</u>	<u>\$13,877</u>	<u>(\$ 1,723)</u>	<u>\$ 4,910</u>

## THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

STATEMENT OF INCOME AND EXPENDITURE  
FOR THE YEAR ENDED MAY 31, 1982

	<u>Debating Union Society</u>		<u>Radio McGill</u>	
	<u>1982</u>	<u>1981</u>	<u>1982</u>	<u>1981</u>
Income				
Advertising	\$ -	\$ -	\$ 938	\$ 165
Admissions	<u>5,617</u>	<u>8,167</u>	<u>906</u>	<u>-</u>
	<u>5,617</u>	<u>8,167</u>	<u>1,844</u>	<u>165</u>
Expenditure				
Printing, postage, stationery and publicity	963	2,059	2,217	1,071
Rentals	1,926	2,091	1,155	1,291
Telephone and telegraph	468	528	2,576	2,820
Repairs	-	-	1,991	2,461
Debates	114	1,449	-	-
Speakers' programme (Honoraria)	700	1,455	-	-
High school debate	5,378	6,471	-	-
Miscellaneous	949	852	1,298	875
Depreciation	-	-	1,951	2,074
Records	-	-	1,433	347
Food	<u>4,057</u>	<u>5,487</u>	<u>661</u>	<u>-</u>
	<u>14,555</u>	<u>20,392</u>	<u>13,282</u>	<u>10,939</u>
Net expenditure transferred to Schedule 1	<u>\$ 8,938</u>	<u>\$12,225</u>	<u>\$11,438</u>	<u>\$10,774</u>

Schedule 9

## THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

STATEMENT OF SADIE'S TABAGIE OPERATIONS  
FOR THE YEAR ENDED MAY 31, 1982

	McConnell Engineering		University Centre		Total	
	1982	1981 (8 months)	1982	1981	1982	1981
Income						
Sales						
Metro tickets and stamps	\$ 5,915	\$ 8,791	\$ 33,782	\$ 32,385	\$ 39,697	\$ 41,176
Tobacco products	-	-	59,830	33,999	59,830	33,999
Confectionery	3,635	1,412	21,052	16,794	24,687	18,206
Miscellaneous	13,785	14,210	37,423	42,055	51,208	56,265
	<u>23,335</u>	<u>24,413</u>	<u>152,087</u>	<u>125,233</u>	<u>175,422</u>	<u>149,646</u>
Cost of sales						
Metro tickets and stamps	8,384	8,501	34,138	32,035	42,522	40,536
Tobacco products	-	-	45,726	21,573	45,726	21,573
Confectionery	1,519	1,727	15,400	12,399	16,919	14,126
Miscellaneous	13,744	10,830	38,986	41,007	52,730	51,837
	<u>23,647</u>	<u>21,058</u>	<u>134,250</u>	<u>107,014</u>	<u>157,897</u>	<u>128,072</u>
Gross profit	(312)	3,355	17,837	18,219	17,525	21,574
Commission income	-	96	547	811	547	907
	<u>(312)</u>	<u>3,451</u>	<u>18,384</u>	<u>19,030</u>	<u>18,072</u>	<u>22,481</u>
Expenditure						
Material and supplies	182	121	3,650	8,935	3,832	9,056
Printing and stationery	-	12	-	30	-	42
Postage and miscellaneous	417	210	1,885	928	2,302	1,138
Advertising	-	154	873	924	873	1,078
Salaries	7,730	4,235	7,730	7,353	15,460	11,588
Casual wages	6,884	5,862	7,840	5,872	14,724	11,734
Fringe benefits	1,207	567	1,124	850	2,331	1,417
Depreciation	-	-	514	642	514	642
	<u>16,420</u>	<u>11,161</u>	<u>23,616</u>	<u>25,534</u>	<u>40,036</u>	<u>36,695</u>
Net expenditure	<u>\$16,732</u>	<u>\$ 7,710</u>	<u>\$ 5,232</u>	<u>\$ 6,504</u>	<u>\$ 21,964</u>	<u>\$ 14,214</u>

## THE STUDENTS' SOCIETY

STATEMENT OF V  
FOR THE YEAR E

	University Centre		Arts	
	1982	1981	1982	1981
Income				
Vending income	\$14,920	\$14,675	\$ 59,905	\$ 69,639
Deli income	-	-	50,535	31,337
Total sales	14,920	14,675	110,440	100,976
Cost of sales	7,286	10,347	61,217	61,205
Gross profit	7,634	4,328	49,223	39,771
Expenditure				
Salaries	-	-	18,462	11,951
Licences and miscellaneous	441	600	1,134	1,585
Depreciation	1,305	1,822	5,410	6,959
Material and supplies	88	3,000	2,127	3,977
Repairs and maintenance	96	163	1,530	1,197
Overhead charges	2,611	2,443	19,631	17,566
	4,541	8,028	48,294	43,235
Excess of expenditure over income before guarantee payments	(3,093)	3,700	(929)	3,464
Guarantee payments	-	-	13,000	13,000
Net expenditure	(\$ 3,093)	\$ 3,700	\$ 12,071	\$ 16,464

## THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

STATEMENT OF VENDING OPERATIONS  
FOR THE YEAR ENDED MAY 31, 1982

	University Centre		Arts		Bronfman		Redpath		Education		Total	
	1982	1981	1982	1981	1982	1981	1982	1981 (8 months)	1982	1981 (8 months)	1982	1981
Income												
Vending income	\$14,920	\$14,675	\$ 59,905	\$ 69,639	\$104,019	\$101,393	\$116,206	\$135,785	\$27,471	\$ -	\$322,521	\$321,492
Deli income	-	-	50,535	31,337	78,492	42,715	-	-	53,966	-	182,993	74,052
Total sales	14,920	14,675	110,440	100,976	182,511	144,108	116,206	135,785	81,437	-	505,514	395,544
Cost of sales	7,286	10,347	61,217	61,205	97,974	80,673	65,044	79,859	46,425	-	277,946	232,084
Gross profit	7,634	4,328	49,223	39,771	84,537	63,435	51,162	55,926	35,012	-	227,568	163,460
Expenditure												
Salaries	-	-	18,462	11,951	24,551	20,309	21,266	15,744	19,000	-	83,279	48,004
Licences and miscellaneous	441	600	1,134	1,585	2,107	1,915	53	2,667	918	-	4,653	6,767
Depreciation	1,305	1,822	5,410	6,959	8,562	9,861	10,461	9,852	7,295	-	33,033	28,494
Material and supplies	88	3,000	2,127	3,977	954	5,465	8,167	2,010	1,626	-	12,962	14,452
Repairs and maintenance	96	163	1,530	1,197	3,746	1,355	1,344	1,052	826	-	7,542	3,767
Overhead charges	2,611	2,443	19,631	17,566	32,244	24,986	20,944	23,612	14,555	-	89,985	68,607
	4,541	8,028	48,294	43,235	72,164	63,891	62,235	54,937	44,220	-	231,454	170,091
Excess of expenditure over income before guarantee payments	(3,093)	3,700	(929)	3,464	(12,373)	456	11,073	(989)	9,208	-	3,886	6,631
Guarantee payments	-	-	13,000	13,000	18,000	18,000	20,000	13,333	5,500	-	56,500	44,333
Net expenditure	(\$ 3,093)	\$ 3,700	\$ 12,071	\$ 16,464	\$ 5,627	\$ 18,456	\$ 31,073	\$ 12,344	\$14,708	\$ -	\$ 60,386	\$ 50,964