

*Charette, Fortier, Hawey
Touche Ross*

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

REPORT AND FINANCIAL STATEMENTS

MAY 31, 1983

*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, 1983 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, 1983 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,
May 8, 1984.

Touche Ross Co.

Chartered Accountants

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

BALANCE SHEET AS AT MAY 31, 1983

	<u>1983</u>	<u>1982</u> (Restated)
<u>ASSETS</u>		
Current		
Cash	\$ 13,100	\$ 17,000
Short-term investments	35,578	27,153
Funds on deposit with McGill University		
Investment reserve fund	108,000	108,000
Accounts receivable	9,827	10,194
Loan receivable	-	7,001
Insurance claim receivable	15,368	-
Inventories	100,058	81,578
Prepaid expense	<u>10,750</u>	<u>10,420</u>
	292,681	261,346
Fixed		
Equipment (Note 2)	<u>298,305</u>	<u>283,611</u>
	<u>\$590,986</u>	<u>\$544,957</u>
<u>LIABILITIES AND DEFICIT</u>		
Current		
Accounts payable		
McGill University	\$674,356	\$464,561
Other	92,158	29,523
Loans payable, secured (Note 3)	120,724	95,882
Current portion of loans payable, secured (Note 3)	<u>9,370</u>	<u>-</u>
	896,608	589,966
Loans payable, secured (Note 3)	<u>39,260</u>	<u>26,618</u>
	935,868	616,584
Deficit	<u>(344,882)</u>	<u>(71,627)</u>
	<u>\$590,986</u>	<u>\$544,957</u>

Approved on behalf of the Society

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*Charette, Fortier, Hawey
Touche Ross*

ADDITIONAL INFORMATION

In connection with our examination of the financial statements of The Students' Society of McGill University for the year ended May 31, 1983, 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,
May 8, 1984.

Touche Ross Co.

Chartered Accountants

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

STATEMENT OF STUDENTS' ACTIVITIES
 FOR THE YEAR ENDED MAY 31, 1983

	<u>1983</u>	<u>1982</u>
Net expenditure (income)		
Activities night	\$ 696	\$ 39
Amateur Radio Club	1,564	1,839
Arab Student Association	488	244
Armenian Club	363	433
African Students' Association	131	216
Blood Donor Clinic	2,664	(147)
Camera Club	889	740
Campus Legal Aid	12,484	11,769
Caribbean Society	1,171	289
Chinese Students' Association	398	732
Communications	2,813	1,919
Community McGill	1,323	891
Councils and Committees	27,379	21,747
Debating Union Society (Schedule 8)	5,112	8,938
Educational Programming	963	1,788
Entertainment Committee	16,937	9,019
External Affairs	5,499	13,137
Film Society (Schedule 7)	6,259	6,828
Foster Parents' Association	81	-
Gay McGill	(957)	(235)
Greenpeace	324	383
Hellenic Club	329	536
International Students' Association	1,376	1,570
Indian Students' Association	661	-
Italian Club	-	394
Iranian Students' Association	297	-
Latin American Students' Association	67	-
Malaysian Students' Association	280	413
Mature Students' Association	286	-
McGill Annual (Schedule 7)	(2,871)	9,703
McGill Daily (Schedule 6)	6,072	17,339
Mini Courses	1,375	-
Pakistan Students' Association	858	-
Players' Club (Schedule 7)	13,943	(1,723)
Polish Students' Association	53	427
Project Ploughshares	1,011	-
Radio McGill (Schedule 8)	13,949	11,438
Redpath Terrace	11,814	-
Savoy Society	1,269	(713)
Second-hand book sale	-	167
Student Handbook	9,300	1,748
Student Society Liaison Project	415	(454)
Simulation Gamers Guild	172	-
Student Directory	2,969	-
Student security	17,545	10,658
Tribune Newsletter	16,970	8,497
Ukrainian Student Society	-	744
Vietnamese Student Society	342	213
Welcome Week	(2,685)	1,028
Winter Carnival	3,843	1,239
Women's Union	6,768	5,689
Miscellaneous clubs	7,176	9,282
	<u>\$200,165</u>	<u>\$158,764</u>

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

STATEMENT OF MCGILL STUDENTS' UNIVERSITY CENTRE OPERATIONS
FOR THE YEAR ENDED MAY 31, 1983

	<u>1983</u>	<u>1982</u>
Income		
Parking income	\$ 11,155	\$ 12,072
Room rentals	<u>27,840</u>	<u>16,882</u>
	<u>38,995</u>	<u>28,954</u>
Expenditure		
Salaries and wages	110,491	87,716
Cleaning and security	86,990	73,907
Repairs and alterations	67,783	43,556
Materials and supplies	44,512	42,308
Stationery and postage	2,375	651
Insurance and taxes	153	99
Telephone	2,133	3,728
Miscellaneous	2,807	930
Depreciation	<u>9,345</u>	<u>12,743</u>
	<u>326,589</u>	<u>265,638</u>
Net expenditure	<u>\$287,594</u>	<u>\$236,684</u>

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY
STATEMENT OF UNIVERSITY CENTRE CAFETERIA OPERATIONS
FOR THE YEAR ENDED MAY 31, 1983

	<u>1983</u>	<u>1982</u>
Sales	\$419,821	\$362,062
Cost of sales	<u>209,910</u>	<u>177,410</u>
Gross profit	<u>209,911</u>	<u>184,652</u>
Expenditure		
Salaries and wages	143,714	116,637
Fringe benefits	9,743	8,002
Materials and supplies	30,000	33,164
Telephone	25	-
Repairs	15,315	14,086
Publicity	2,304	178
Miscellaneous	6,360	1,639
Depreciation	6,878	6,574
Contract services	<u>24,442</u>	<u>15,753</u>
	<u>238,781</u>	<u>196,033</u>
Net expenditure	<u>\$ 28,870</u>	<u>\$ 11,381</u>

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY
STATEMENT OF GERTRUDE'S PUB & PIZZERIA OPERATIONS
FOR THE YEAR ENDED MAY 31, 1983

	<u>1983</u>	<u>1982</u>
Income		
Sales		
Beer and liquor	\$430,740	\$447,301
Food	<u>289,411</u>	<u>265,238</u>
	<u>720,151</u>	<u>712,539</u>
Cost of sales		
Beer and liquor	215,370	194,481
Food	<u>144,706</u>	<u>129,967</u>
	<u>360,076</u>	<u>324,448</u>
Gross profit	360,075	388,091
Games machine income	<u>35,881</u>	<u>47,560</u>
Income before expenditure	<u>395,956</u>	<u>435,651</u>
Expenditure		
Material and supplies	40,000	49,655
Repairs	23,321	11,225
Printing and stationery	640	440
Postage and miscellaneous	4,610	7,112
Advertising	2,784	2,842
Entertainment	9,957	11,504
Telephone	3,233	2,673
Insurance	2,024	533
Gas	2,352	2,136
Contract services	19,910	12,872
Salaries and wages	301,136	231,570
Depreciation	<u>8,810</u>	<u>9,456</u>
	<u>418,777</u>	<u>342,018</u>
Net expenditure (income)	<u>\$ 22,821</u>	<u>(\$ 93,633)</u>

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

STATEMENT OF EXPENDITURE
FOR THE YEAR ENDED MAY 31, 1983

	<u>1983</u>	<u>1982</u>
Office and administrative		
Salaries and benefits	\$131,414	\$173,288
Casual wages	70,160	44,516
Postage, stationery and printing	10,844	9,726
Telephone and telegraph	7,371	7,987
Legal and audit fees	32,520	5,678
Supplies	333	623
Advertising	1,022	699
Insurance	7,364	8,054
Overhead recoveries	<u>(124,886)</u>	<u>(89,985)</u>
	<u>\$136,142</u>	<u>\$160,586</u>
General		
Travelling	\$ -	\$ 310
Election	9,037	7,554
Bad debts	4,415	6,736
Depreciation	2,359	2,672
Miscellaneous	4,556	5,434
Computer charges	7,152	6,000
Interest	<u>6,878</u>	<u>-</u>
	<u>\$ 34,397</u>	<u>\$ 28,706</u>

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

STATEMENT OF MCGILL DAILY OPERATIONS
FOR THE YEAR ENDED MAY 31, 1983

	<u>1983</u>	<u>1982</u>
Expenditure		
Postage and miscellaneous	\$ -	\$ 481
Bad debts	<u>6,072</u>	<u>14,533</u>
	6,072	15,014
Loss on transfer of net assets to Daily Publications Society	<u>-</u>	<u>2,325</u>
Net expenditure transferred to Schedule 1	<u>\$6,072</u>	<u>\$17,339</u>

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED MAY 31, 1983

	<u>McGill Annual</u>		<u>Film Society</u>		<u>Players' Club</u>	
	<u>1983</u>	<u>1982</u>	<u>1983</u>	<u>1982</u>	<u>1983</u>	<u>1982</u>
Income						
Admissions	\$ -	\$ -	\$22,355	\$23,657	\$11,973	\$12,301
Advertising	3,225	1,327	-	-	-	-
Sundry	7,845	15,015	-	-	-	1,494
Photography	14,644	14,749	-	-	-	-
	<u>25,714</u>	<u>31,091</u>	<u>22,355</u>	<u>23,657</u>	<u>11,973</u>	<u>13,795</u>
Expenditure						
Amusement tax	-	-	2,040	2,208	811	856
Printing and publicity	14,994	23,008	2,035	2,866	5,933	2,093
Rentals	-	-	21,756	22,581	2,019	36
Honoraria	1,034	1,150	640	640	450	449
Scenery and properties	-	-	-	-	3,636	2,266
Costumes and make-up	-	-	-	-	2,042	1,436
Lighting	-	-	-	-	739	983
Telephone	-	-	434	466	697	547
Script and royalties	-	-	-	-	2,267	675
Photography	1,758	1,379	-	-	-	-
Postage and miscellaneous	3,608	3,294	184	985	3,602	1,778
Materials and supplies	1,447	357	26	111	3,636	889
Travel and taxi expense	2	-	1,125	161	84	64
Depreciation	-	-	374	467	-	-
Year book	-	11,606	-	-	-	-
	<u>22,843</u>	<u>40,794</u>	<u>28,614</u>	<u>30,485</u>	<u>25,916</u>	<u>12,072</u>
Net expenditure (income) transferred to Schedule 1	<u>(\$ 2,871)</u>	<u>\$ 9,703</u>	<u>\$ 6,259</u>	<u>\$ 6,828</u>	<u>\$13,943</u>	<u>(\$ 1,723)</u>

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED MAY 31, 1983

	<u>Debating Union Society</u>		<u>Radio McGill</u>	
	<u>1983</u>	<u>1982</u>	<u>1983</u>	<u>1982</u>
Income				
Advertising	\$ -	\$ -	\$ 1,921	\$ 938
Admissions	<u>6,315</u>	<u>5,617</u>	<u>1,235</u>	<u>906</u>
	<u>6,315</u>	<u>5,617</u>	<u>3,156</u>	<u>1,844</u>
Expenditure				
Printing, postage, stationery and publicity	330	963	4,194	2,217
Rentals	1,227	1,926	1,548	1,155
Telephone and telegraph	396	468	4,312	2,576
Repairs	-	-	2,026	1,991
Debates	-	114	-	-
Speakers' programme (honoraria)	-	700	250	-
High school debate	4,959	5,378	-	-
Miscellaneous	690	949	2,048	1,298
Depreciation	-	-	1,896	1,951
Records	-	-	831	1,433
Food	<u>3,825</u>	<u>4,057</u>	<u>-</u>	<u>661</u>
	<u>11,427</u>	<u>14,555</u>	<u>17,105</u>	<u>13,282</u>
Net expenditure transferred to Schedule 1	<u>\$ 5,112</u>	<u>\$ 8,938</u>	<u>\$13,949</u>	<u>\$11,438</u>

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

STATEMENT OF SADIE'S TABAGIE OPERATIONS
FOR THE YEAR ENDED MAY 31, 1983

	McConnell Engineering		University Centre		Total	
	1983	1982 (Restated)	1983	1982 (Restated)	1983	1982 (Restated)
Income						
Sales						
Metro tickets and stamps	\$13,263	\$ 5,915	\$ 50,229	\$ 33,782	\$ 63,492	\$ 39,697
Tobacco products	-	-	80,401	59,830	80,401	59,830
Confectionery	6,658	3,635	24,412	21,052	31,070	24,687
Miscellaneous	31,352	13,785	40,372	37,423	71,724	51,208
	<u>51,273</u>	<u>23,335</u>	<u>195,414</u>	<u>152,087</u>	<u>246,687</u>	<u>175,422</u>
Cost of sales						
Metro tickets and stamps	8,613	8,384	48,115	34,138	56,728	42,522
Tobacco products	-	-	65,891	45,726	65,891	45,726
Confectionery	4,994	1,519	18,309	15,400	23,303	16,919
Miscellaneous	26,986	14,154	43,190	42,563	70,176	56,717
	<u>40,593</u>	<u>24,057</u>	<u>175,505</u>	<u>137,827</u>	<u>216,098</u>	<u>161,884</u>
Gross profit	10,680	(722)	19,909	14,260	30,589	13,538
Commission income	453	-	1,872	547	2,325	547
	<u>11,133</u>	<u>(722)</u>	<u>21,781</u>	<u>14,807</u>	<u>32,914</u>	<u>14,085</u>
Expenditure						
Material and supplies	14,747	182	10,745	3,650	25,492	3,832
Postage and miscellaneous	1,105	417	832	1,885	1,937	2,302
Advertising	60	-	1,019	873	1,079	873
Salaries	2,797	7,730	14,095	7,730	16,892	15,460
Casual wages	4,603	6,884	10,832	7,840	15,435	14,724
Fringe benefits	614	1,207	2,023	1,124	2,637	2,331
Depreciation	-	-	602	514	602	514
	<u>23,926</u>	<u>16,420</u>	<u>40,148</u>	<u>23,616</u>	<u>64,074</u>	<u>40,036</u>
Net expenditure	<u>\$12,793</u>	<u>\$17,142</u>	<u>\$ 18,367</u>	<u>\$ 8,809</u>	<u>\$ 31,160</u>	<u>\$ 25,951</u>

STUDENTS' SOCIETY OF MCGILL UNIVERSITY

Financial Statement
BUDGET OVERVIEW 1982/83

	BUDGET 1982/83	ACTUALS 1982/83	VARIANCE
REVENUE <i>net rev. or (net exp.)</i>			
INCOME SOURCES			
Student Fees	450000	468069	(18069)
Interest	1500	10541	4459
Miscellaneous			0
BUSINESS OPERATIONS & SERVICES			
Cafeteria	18950	(8500)	27450
Gertrude's Pub & Pizzeria	112700	41532	71168
Sadie's I - University Centre	4150	4415	(265)
Sadie's II - McConnell Engineering	(3054)	(2176)	(878)
Vending - Law	(4975)	(1841)	(3134)
Vending - Arts	(3600)	(323)	(3277)
Vending - Education	(3625)	(3330)	(295)
Vending - Bronfman	2775	1301	1474
Vending - Redpath	(9975)	(12049)	2074
Terrace Restaurant		(2533)	2533
TOTAL REVENUE	578346	495106	83240
EXPENDITURE <i>net exp. or (net rev.)</i>			
BUILDING			
University Centre	241490	251096	(9606)
Student Security	9414	12314	(2900)
OPERATIONS & SERVICES			
General Office & Information	147075	146439	636
Educational Programming and Leadership	800	964	(164)
Mini-Courses	0	1374	(1374)
COUNCIL SERVICES			
Council & Committees	20000	22727	(2728)
Communications	2000	2788	(788)
Elections	8500	9037	(537)
External Affairs	411400	10500	900
Sub-Total (General Operations & Services)	440679	457240	(16561)

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

STATEMENT OF LOSS AND DEFICIT
FOR THE YEAR ENDED MAY 31, 1983

	<u>1983</u>	<u>1982</u> (Restated)
Income		
Students' fees	\$468,070	\$452,811
Interest on short-term investments	24,002	21,883
Other income	<u>57,446</u>	<u>17,000</u>
	<u>549,518</u>	<u>491,694</u>
Expenditure		
Students' Activities (Schedule 1)	200,165	158,764
McGill Students' University Centre (Schedule 2) (Note 4)	287,594	236,684
University Centre Cafeteria (Schedule 3)	28,870	11,381
Gertrude's Pub & Pizzeria (Schedule 4)	22,821	(93,633)
Office and administrative (Schedule 5)	136,142	160,586
General (Schedule 5)	34,397	28,706
Sadie's Tabagie (Schedule 9)	31,160	25,951
Vending (Schedule 10)	<u>81,624</u>	<u>61,696</u>
	<u>822,773</u>	<u>590,135</u>
Excess of expenditure over income for the year	<u>273,255</u>	<u>98,441</u>
(Deficit) surplus, beginning of year	(66,330)	26,814
Prior period adjustment (Note 5)	<u>(5,297)</u>	<u>-</u>
(Deficit) surplus, as restated	<u>(71,627)</u>	<u>26,814</u>
Deficit, end of year	<u>(\$344,882)</u>	<u>(\$ 71,627)</u>

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

NOTES TO FINANCIAL STATEMENTS
MAY 31, 1983

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:

	1983			1982
	<u>Cost</u>	<u>Accumulated depreciation</u>	<u>Net</u>	<u>Net</u>
Gertrude's Pub	\$ 92,487	\$ 56,120	\$ 36,367	\$ 38,471
Radio McGill	50,813	40,830	9,983	7,876
Amateur Radio	10,296	8,568	1,728	1,353
Film Society	7,222	5,727	1,495	1,869
Sadie's Tabagie	6,254	3,709	2,545	2,055
University Centre	114,401	76,786	37,615	46,960
Cafeteria	64,100	34,112	29,988	28,455
Administration	11,665	5,938	5,727	2,610
Vending machines	277,593	114,238	163,355	145,884
Micro-computer	<u>15,821</u>	<u>6,319</u>	<u>9,502</u>	<u>8,078</u>
	<u>\$650,652</u>	<u>\$352,347</u>	<u>\$298,305</u>	<u>\$283,611</u>

The Students' Society of McGill University
Notes to financial statements
May 31, 1983

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 \$120,724 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 commencing June 1, 1983 and an amount of \$2,494 which bears interest at 10% per annum. Of this balance of \$120,724, \$95,882 was due on June 1, 1982.

The balance of \$9,370 is due on November 11, 1983 and bears interest at 10% per annum.

The balance of \$39,260 consists of an amount of \$1,782 due on August 24, 1984 and an amount of \$37,478 due in five equal annual instalments commencing on November 11, 1983. These loans bear interest at 10% per annum on the outstanding balance.

4. Heat, electricity and air conditioning expense

Heat, electricity and air conditioning expense of \$259,025 for the University Centre has been paid by McGill University (1982 - \$234,498).

5. Prior period adjustment

A provincial sales tax assessment for \$18,116 covering sales during the period from June 1, 1981 to December 31, 1983 was received on March 30, 1984. Of this amount, \$5,297 related to the year ended May 31, 1982, \$6,887 to the year ended May 31, 1983 and the balance of \$5,932 to the year ending May 31, 1984.

*Charette, Fortier, Hawey
Touche Ross*

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

ADDITIONAL INFORMATION

MAY 31, 1983

THE STUDENTS' SOCIETY OF MCGILL UNIVERSITY

REPORT AND FINANCIAL STATEMENTS

MAY 31, 1983

OF MCGILL UNIVERSITY

ENDING OPERATIONS
ENDED MAY 31, 1983

Redpath		Education		Student services		Law		Total	
1983	1982	1983	1982	1983	1982	1983	1982	1983	1982
	(Restated)		(8 months) (Restated)						(Restated)
42,292	\$116,206	\$ 37,152	\$27,471	\$ 351	\$ -	\$30,810	\$ -	\$399,159	\$322,521
-	-	81,225	53,966	-	-	59,993	-	314,829	182,993
42,292	116,206	118,377	81,437	351	-	90,803	-	713,988	505,514
78,705	65,044	58,519	46,425	175	-	45,054	-	361,591	277,946
63,587	51,162	59,858	35,012	176	-	45,749	-	352,397	227,568
25,248	21,266	30,154	19,000	-	-	16,618	-	132,577	83,279
2,359	315	2,255	1,180	260	-	2,061	-	12,214	5,963
9,766	10,461	7,977	7,295	812	-	5,396	-	36,907	33,033
9,751	8,167	7,500	1,626	5,165	-	6,175	-	54,744	12,962
564	1,344	947	826	358	-	11,805	-	18,276	7,542
24,901	20,944	20,715	14,555	-	-	15,891	-	124,886	89,985
72,589	62,497	69,548	44,482	6,595	-	57,946	-	379,604	232,764
9,002	11,335	9,690	9,470	6,419	-	12,197	-	27,207	5,196
15,292	20,000	5,500	5,500	-	-	4,125	-	54,417	56,500
24,294	\$ 31,335	\$ 15,190	\$14,970	\$6,419	\$ -	\$16,322	\$ -	\$ 81,624	\$ 61,696