
FINANCIAL STATEMENTS

SIMON FRASER STUDENT SOCIETY

April 30, 2010

***TWM* TOMPKINS, WOZNY, MILLER & CO.**
Chartered Accountants

A partnership of incorporated professionals.

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AUDITORS' REPORT

To the Members of
Simon Fraser Student Society

We have audited the statement of financial position of **Simon Fraser Student Society** as at April 30, 2010 and the statements of operations and changes in fund balances and cash flows for the year then ended. These financial statements are the responsibility of the Society's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Society as at April 30, 2010 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles. As required by the British Columbia Society Act, we report that, in our opinion, these principles have been applied on a basis consistent with that of the preceding year.

Tompkins, Wozny, Miller & Co.

Vancouver, Canada
September 27, 2010

Chartered Accountants

STATEMENT OF FINANCIAL POSITION

Year ended April 30

	2010					2009	
	General Fund	Capital Asset Fund	Space Expansion Fund	Undergraduate Health Plan Fund	First Nations Students Fund	Accessibility Fund	Total
	\$	\$	\$	\$	\$	\$	\$
ASSETS							
Current assets							
Cash and term deposits	24,396	—	4,023,164	45,520	117,572	187,482	4,398,134
Restricted cash and term deposits [note 4]	830,370	—	—	—	—	—	830,370
Accounts receivable - SFU - Undergraduate Health Plan	—	—	—	293,965	—	—	293,965
- other	68,770	—	22,109	—	—	—	90,879
Inventory [note 5]	49,523	—	—	—	—	—	49,523
Prepaid amounts [note 6]	27,495	—	87,990	1,177,316	—	—	1,292,801
Interfund loans	(1,933)	—	(22,817)	26,528	(1,778)	—	—
Total current assets	998,621	—	4,110,446	1,543,329	115,794	187,482	6,955,672
Capital assets [note 7]	—	4,335,757	—	—	—	—	4,335,757
Total 2010	998,621	4,335,757	4,110,446	1,543,329	115,794	187,482	11,291,429
LIABILITIES AND FUND BALANCES							
Current liabilities							
Accounts payable and accruals	354,207	—	—	332,975	—	—	687,182
Deferred revenue	10,617	—	—	1,210,354	—	—	1,220,971
Total current liabilities	364,824	—	—	1,543,329	—	—	1,908,153
Fund balances							
Internally restricted [note 8]	622,605	—	4,110,446	—	115,794	187,482	5,036,327
Invested in capital assets	—	4,335,757	—	—	—	—	4,335,757
Repair and replacement reserves [note 8]	11,192	—	—	—	—	—	11,192
Unrestricted	—	—	—	—	—	—	—
Total fund balances	633,797	4,335,757	4,110,446	—	115,794	187,482	9,383,276
Total 2009	998,621	4,335,757	4,110,446	1,543,329	115,794	187,482	11,291,429
Commitments [note 12]							
Contingent liabilities [note 13]							
Subsequent events [note 16]							

See accompanying notes


Director

Director



STATEMENT OF CASH FLOWS

Year ended April 30

	2010		2009					
	General Fund	Capital Assets Fund	Space Expansion Fund	Undergraduate Health Plan Fund	First Nations Students Fund	Accessibility Fund	Total	Total
	\$	\$	\$	\$	\$	\$	\$	\$
OPERATING ACTIVITIES								
Excess of revenue (expenses) for the year	398,703	(338,292)	792,372	97,024	23,546	43,044	1,016,397	742,512
Items not involving cash								
Amortization of capital assets	—	338,292	—	—	—	—	338,292	312,498
Changes in non-cash working capital balances								
Accounts receivable	(26,660)	—	(22,109)	(136,869)	—	—	(185,638)	(122,999)
Inventory	818	—	—	—	—	—	818	2,710
Prepaid amounts	(14,877)	—	(87,990)	(388,829)	—	—	(491,696)	(792,558)
Accounts payable and accruals	(61,022)	—	(52,149)	332,975	—	—	219,804	46,679
Deferred revenue	6,279	—	—	210,771	—	—	217,050	999,583
Cash provided by operating activities	303,241	—	630,124	115,072	23,546	43,044	1,115,027	1,188,425
FINANCING ACTIVITIES								
Transfer to Graduate Student Society	—	—	—	—	—	—	—	(875,154)
Interfund transfer - capital assets	(82,374)	350,918	(268,544)	—	—	—	—	—
Interfund transfer - health plan reserve	97,024	—	—	(97,024)	—	—	—	—
Interfund loans	18,485	—	(25,590)	5,680	1,425	—	—	—
Cash provided by (used in) financing activities	33,135	350,918	(294,134)	(91,344)	1,425	—	—	(875,154)
INVESTING ACTIVITIES								
Purchase of capital assets	—	(350,918)	—	—	—	—	(350,918)	(225,550)
Cash used in investing activities	—	(350,918)	—	—	—	—	(350,918)	(225,550)
Increase in cash during year	336,376	—	335,990	23,728	24,971	43,044	764,109	87,721
Cash, beginning of year	518,390	—	3,687,174	21,792	92,601	144,438	4,464,395	4,376,674
Cash, end of year	854,766	—	4,023,164	45,520	117,572	187,482	5,228,504	4,464,395
Cash includes:								
Cash	24,396	—	4,023,164	45,520	117,572	187,482	4,398,134	4,121,659
Restricted cash [note 4]	830,370	—	—	—	—	—	830,370	342,736
Cash, end of year	854,766	—	4,023,164	45,520	117,572	187,482	5,228,504	4,464,395

See accompanying notes

NOTES TO FINANCIAL STATEMENTS

April 30, 2010

1. NATURE OF ORGANIZATION

The Simon Fraser Student Society (the “Society”) is a registered, not-for-profit organization incorporated in the province of British Columbia who is exempt from income taxes. The purposes of the Society are to work cooperatively to make student life at Simon Fraser University (the “University”) easier and more fulfilling, to advocate to make education accessible, and to provide low cost, student-friendly services to its members.

2. SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies used in the preparation of the financial statements:

Fund Accounting

The Society follows fund accounting using the deferral method of accounting for contributions. The major funds are described below.

General Fund

Revenues and expenses related to program delivery, administrative activities and retail operations are reported in the general fund. This fund represents unrestricted resources.

The following funds are all internally restricted for the following purposes:

Capital Asset Fund

The Capital Asset Fund reports the assets, liabilities, revenues and expenses related to the Society’s capital assets.

Space Expansion Fund

The Space Expansion Fund was originally established for the construction of additional space for student activities and renovation of existing Society space, and related costs. The use of the fund was subsequently amended through a referendum to include potential future expansion, renovations and ongoing maintenance of existing and future space for students, student groups and student activities. The capital fee levy portion of student activity fees is designated for the Space Expansion Fund. The fund is currently used to pay building maintenance and renovation costs as well as building capital costs.

NOTES TO FINANCIAL STATEMENTS

April 30, 2010

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Undergraduate Health Plan Fund

Commencing January 1, 2009, the members of the Society agreed to contribute up to \$198 per year for the purpose of offering both an extended health plan and dental plan for undergraduate students.

First Nations Students Fund

Commencing in 2003, the members of the Society agreed to contribute \$0.75 cents per student per semester to the First Nations Student Association ("FSNA").

Accessibility Fund

Commencing in 2006, the members of the Society agreed to contribute \$0.75 per student per semester, for the purpose of increasing the accessibility of, and removing barriers to, participation in campus activities and events for students with disabilities.

Internally Restricted Net Assets in the General Fund

i) Repair and Replacement Reserves *[note 8]*

Pursuant to its premise lease with the University, the Society allocates 3% of its gross catering revenues to each of a Premises Repair Reserve and an Equipment Replacement and Repair Reserve. These reserves are to be used for repairs to the premises used for catering operations and repairs and replacement of related equipment.

ii) Health Plan Reserve *[note 8]*

The Health Plan Reserve is funded by the Undergraduate Health Plan. The Society internally restricts a portion of the levy to fund future expenses relating to the management, promotion and maintenance of the Undergraduate Health Plan.

iii) Society Development - CFS legal dispute *[note 8]*

The Society has internally restricted \$525,950 [2009 - \$158,957] of net assets relating to the CFS dispute described in Note 13(b), contingent liabilities. In 2009, the Society commenced the collection of fees ("Society Development Fees") that were formerly collected for the CFS (see note 9 – activity fees). These fees are to be used to fund the legal expenses relating to the CFS dispute.

NOTES TO FINANCIAL STATEMENTS

April 30, 2010

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Revenue Recognition

The Society follows the deferral method of accounting for contributions. Contributions for externally restricted purposes are recognized as revenue in the year in which the related expenses are incurred.

Student activity fees are recognized as revenue according to the academic terms and funds they relate to.

Revenue from all other sources is recognized in the general fund when the service is provided or when the respective goods are sold to the customer.

Inventory

Inventory is valued at the lower of cost, determined on a first-in first-out basis, and net realizable value.

Capital Assets

Purchased capital assets are recorded at cost. Capital assets are amortized on a straight-line basis at the rates outlined in note 7. Amortization expense is recorded in the Capital Asset Fund.

Use of Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from the estimates.

Financial Instruments

The Society has adopted the recommendations of Section 3855 and 3861 of the Canadian Institute of Chartered Accountant's ("CICA") Handbook regarding financial instruments. The Society has elected to use the exemption provided by the CICA permitting not-for-profit organizations not to apply sections 3862 and 3863 of the CICA Handbook.

NOTES TO FINANCIAL STATEMENTS

April 30, 2010

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Financial Instruments (cont'd)

The Society has classified its financial instruments as follows:

- Cash and term deposits – held for trading
- Accounts receivable – loans and receivables
- Accounts payable – other financial liabilities

Held for Trading

The Society's held for trading financial instruments are recorded at fair value with any gains or losses arising from changes in fair value being recognized immediately in income.

Loans and Receivables and Other Financial Liabilities

Loans and receivables and other financial liabilities are recorded at amortized cost.

The Society's financial instruments consist of cash, restricted cash, term deposits, accounts receivable, and accounts payable.

The Society's cash and term deposits are subject to credit and interest rate risk and the accounts receivable are subject to credit risk.

In the opinion of management, there are no other significant risks associated with these financial instruments and their carrying value approximates fair value.

Future Accounting Changes

The Society prepares its financial statements in accordance with Canadian generally accepted accounting principles. In 2011 the Society expects to adopt accounting standards for private enterprises ("ASPE"), a new set of Canadian accounting principles for non-publicly accountable enterprises that were released by the Canadian Institute of Chartered Accountants ("CICA") in December, 2009. The adoption of these principles is an alternative to the adoption of International Financial Reporting Standards that will be mandatory for publicly accountable enterprises in 2012. The CICA is reviewing the sections of existing Canadian GAAP that apply to not-for-profit organizations, and is expected to amend these sections in 2010 for inclusion with the new ASPE standards.

NOTES TO FINANCIAL STATEMENTS

April 30, 2010

3. BUILDING OPERATING COSTS

Building operating costs represent amounts charged by Simon Fraser University for the maintenance and operations of the Society's premises in the Maggie Benston Centre. The Society is responsible for these costs on approximately two-thirds of the space it occupies in the Centre. In prior years, building operating costs have been allocated to the Food and Beverage operations based on the gross charge for the square footage of space used in Food and Beverage operations. The Society has allocated the space for which it is not responsible for building operating costs to non-revenue producing areas.

As of May 1, 2009, the Society discontinued allocating operating costs to the Food and Beverage operations. If the allocation of operating costs had occurred in 2010, operating costs in the amount of \$75,613 would have been allocated to the Food and Beverage operations.

4. RESTRICTED CASH AND TERM DEPOSITS

Cash and term deposits are internally restricted for specific purposes as follows:

	2010	2009
	\$	\$
Health Plan Reserve	123,638	39,797
Society Development fees – CFS dispute	706,732	302,939
	<u>830,370</u>	<u>342,736</u>

5. INVENTORY

	2010	2009
	\$	\$
Food and liquor	29,569	26,669
Office supplies and postage	4,848	10,249
Paper and other	15,106	13,423
	<u>49,523</u>	<u>50,341</u>

Cost of sales includes a write-down of inventory in the amount of \$Nil [2009 - \$2,700].

NOTES TO FINANCIAL STATEMENTS

April 30, 2010

6. PREPAID AMOUNTS

Prepaid amounts consist of the following items:

	2010 \$	2009 \$
General fund		
Deposit	20,228	5,000
Supplies and other	7,267	7,618
	<u>27,495</u>	<u>12,618</u>
Space Expansion fund		
Renovation costs – Harbour Centre Student Lounge	87,990	—
Undergraduate Health Plan fund		
Insurer's Premiums – Undergraduate Health Plan	1,165,264	778,491
SFU administrative fees – Undergraduate Health Plan	12,052	9,996
	<u>1,177,316</u>	<u>788,487</u>
Total prepaid amounts	<u>1,292,801</u>	<u>801,105</u>

7. CAPITAL ASSETS

	Rate	Cost \$	Accumulated Amortization \$	Net Book Value \$
2010				
Leasehold interest – building	lease term - 15 to 30 years	7,411,163	3,323,784	4,087,379
Leaseholds under construction	lease term - 14 years	34,672	—	34,672
		<u>7,445,835</u>	<u>3,323,784</u>	<u>4,122,051</u>
Other Capital				
Computers, software and data processing equipment	4 years	166,149	140,077	26,072
Other equipment	5 years	107,831	39,657	68,174
		<u>273,980</u>	<u>179,734</u>	<u>94,246</u>
Food and Beverage				
Computers	5 years	11,655	8,033	3,622
Other equipment	5 years	236,842	121,004	115,838
		<u>248,497</u>	<u>129,037</u>	<u>119,460</u>
		<u>7,968,312</u>	<u>3,632,555</u>	<u>4,335,757</u>

NOTES TO FINANCIAL STATEMENTS

April 30, 2010

7. CAPITAL ASSETS (CONT'D)

	Rate	Cost \$	Accumulated Amortization \$	Net Book Value \$
2009				
Leasehold interest - building	lease term - 16 to 30 years	7,229,941	3,064,209	4,165,732
Other Capital				
Computers, software and data processing equipment	4 years	180,960	155,545	25,415
Other equipment	5 years	49,173	19,036	30,137
		230,133	174,581	55,552
Food and Beverage				
Computers	5 years	8,473	6,834	1,639
Other equipment	5 years	181,957	81,749	100,208
		190,430	88,583	101,847
		7,650,504	3,327,373	4,323,131

The leasehold interest in the building is recorded net of a \$1,000,000 contribution from the University.

The Society has a right to occupy its premises in the Maggie Benson Centre pursuant to a 30 year lease with the University, expiring in 2024. The lease may be extended for two additional 30 year periods. Annual rent of \$1 plus the Society's share of operating costs are payable to the University for the term of the lease.

NOTES TO FINANCIAL STATEMENTS

April 30, 2010

8. INTERNALLY RESTRICTED NET ASSETS AND RESERVES

i) Internally Restricted Net Assets

	2010 \$	2009 \$
		<i>[Restated note 15]</i>
Health Plan Reserve		
Balance, beginning of year	6,539	—
Excess of revenue for the year	97,024	17,679
Expenses <i>[schedule 3]</i>	(6,948)	(11,140)
Balance, end of year	96,615	6,539
Society Development – CFS dispute		
Balance, beginning of year	158,957	—
Activity fees <i>[note 13(b)]</i>	441,811	418,839
Expended – Legal services <i>[schedule 3]</i>	(32,738)	(111,341)
– ISIC cards <i>[schedule 3]</i>	—	(10,525)
Used by operations	(42,040)	(130,016)
Balance, end of year	525,990	166,957
Total Internally Restricted	622,605	173,496

ii) Repair and Replacement Reserves

	2010		2009	
	Premises Repair Reserve \$	Equipment Replacement and Repair Reserve \$	Total \$	Total \$
Transfer from unrestricted net assets	5,248	5,248	10,496	10,408
Expenditures <i>[schedule 5]</i>	(993)	(3,133)	(4,126)	(3,443)
Capital asset purchases	—	(50,126)	(50,126)	(5,579)
Increase (decrease) during the year	4,255	(48,011)	(43,756)	1,386
Balances, beginning of year	54,948	—	54,948	53,562
Interfund transfer	(48,011)	48,011	—	—
Balances, end of year	11,192	—	11,192	54,948

NOTES TO FINANCIAL STATEMENTS

April 30, 2010

9. ACTIVITY FEES

Activity fees include fees collected from students known as a Society Development Fee. Commencing in 2009, upon withdrawal from the CFS, the members of the Society agreed to direct the former CFS membership fees of \$7.64 per semester for full-time students and \$3.82 per semester for part-time students as Society Development fees. During the year, the Society collected \$441,811 [2009 - \$418,839] of Society Development fees.

10. NON-DISCRETIONARY ALLOCATIONS

During the year, the Society collected fees on behalf of the following autonomous organizations:

	2010	2009
	\$	\$
Simon Fraser Public Interest Research Group	173,485	163,910
Peak Publications Society	283,358	267,719
Simon Fraser Campus Radio Society (CJSF)	207,383	163,910
World University Services of Canada	57,828	54,636
	722,054	650,175

As these fees are collected in trust on behalf of the other organizations, they are not included in the statement of operations.

11. BUILDING MAINTENANCE AND RENOVATION COSTS

During the year, the Society incurred the following expenses in the Space Expansion Fund:

	2010	2009
	\$	\$
Building maintenance	102,312	103,235
Repairs and renovations	4,288	69,901
	106,600	173,136

NOTES TO FINANCIAL STATEMENTS

April 30, 2010

12. COMMITMENTS

[a] Maggie Benston Centre

The Society is required to pay building operating costs to the University for a portion of the space it occupies in the Maggie Benston Centre in the approximate amount of \$263,328 per year.

[b] Ombudsperson and Office

The Ombudsoffice position is jointly funded by Simon Fraser University, The Graduate Student Society and the Society. The University contributes 50% of the funding required for the position, up to a maximum of \$60,000 per annum to be used to provide the employee's salary and benefits and related office operating expenses. The University contributes 50% of all costs related to office operations including structured repair, renovations and maintenance costs. The Graduate Student Society and the Society jointly contribute 50% of the funding required for the position, up to a maximum contribution of \$60,000 per annum. The Student Societies provide the office space for the position, including necessary furnishings, computer, and telephone equipment by mutual agreement.

[c] Undergraduate Health Plan

The Society entered into an agreement for extended health and dental benefits which are to be provided to undergraduate students who opt into the plan. The agreement sets the fees at \$184.84 per student per year for both benefits until August 31, 2010. Subsequent to the year end, the agreement was extended to August 31, 2014 and the fees were set at \$167.68 per student per year.

[d] Graduate Student Society

The Graduate Student Society ("GSS") separated from the Society effective May 1, 2008. The Society signed a premise lease agreement effective May 1, 2008, expiring on April 30, 2010, to provide a meeting room at a rental rate of \$1 per annum. The Society also signed a one-year agreement to provide services to the GSS that renews on May 1st of each year unless terminated in accordance with the agreement.

[e] Woodward's Campus Space

On April 30, 2010, the Society entered into a five year agreement with W2 Community Media Arts Society ("W2") to have access to a lounge, meeting and other space in the Woodward's Complex where Simon Fraser University will be offering classes. The W2 will operate a Café at no charge to the Society in the Lounge space. The Society has a right to a five year renewal period with no change in costs and further renewal periods with negotiated changes in costs.

NOTES TO FINANCIAL STATEMENTS

April 30, 2010

12. COMMITMENTS (CONT'D)

[e] Woodward's Campus Space (cont'd)

The Society must nominate one Society member to be a director of the W2 while this agreement is in force. The Society has agreed to spend \$85,000 to finish the Lounge and Meeting Room and to purchase furniture and equipment for use in the Lounge and Meeting Room. The Society retains ownership of the furniture, equipment and other moveable improvements that it purchases. The Society must make an additional \$6,000 annual contribution towards W2's operating costs to be remitted to W2 monthly, with the first payment to commence when the Lounge Area, Meeting Room and Café commence operation. W2 agrees that this contribution will only be used to pay operating costs and that any additional money left after it pays operating costs will be paid into a contingency fund. Monies may be paid out of the contingency fund only with the agreement of both parties with the Society being entitled to the balance of any remaining funds at the end of the agreement. The Society agrees to spend up to \$2,000 annually on the maintenance, repair, replacement of furniture and equipment in the Lounge Area and Meeting Room.

[f] Harbour Centre 3410 Lunchroom

The Society entered into an agreement with Simon Fraser University to operate the "Harbour Centre Lunchroom 3410". In April 2010, the Society prepaid \$87,990 towards renovations of the lunchroom from the Space Expansion Fund.

[g] Out on Campus Office

The Society committed to spend approximately \$48,500 in renovations and furniture costs on the office with renovations commencing subsequent to the year end. To date, the Society has incurred approximately \$15,958 of the total costs.

[h] Old Arcade Space

The Society committed to spend approximately \$200,000 in renovations, audio-visual equipment and furniture costs on the old arcade space with renovations commencing subsequent to the year end. To date, the Society has incurred approximately \$61,766 of the total costs.

NOTES TO FINANCIAL STATEMENTS

April 30, 2010

[i] Lease Obligations

The Society is committed to photocopier leases and maintenance contracts which require minimum payments for the next three years as follows:

	\$
2011	6,488
2012	5,413
2013	2,706
	<hr/> 14,607 <hr/>

13. CONTINGENT LIABILITIES

[a] Letters of credit

The Society has outstanding letters of credit totaling \$12,500 [2009 - \$12,500] issued as security for liquor purchases. Equivalent funds are to be maintained in term deposits.

[b] CFS membership and dispute

In 2008, the student society membership voted by way of referendum to withdraw from the Canadian Federation of Students ("CFS") effective May 1, 2008. The CFS has taken the position that the Society's withdrawal referendum was invalid and has sued the Society for CFS fees that should have been collected and remitted to them. The estimated cumulative claim for CFS fees for the year ended April 30, 2010 would be \$860,650 [2009 - \$418,839] plus any fees that should have been collected after that date.

The Society believes that the CFS withdrawal referendum was valid and thus, no provision for this claim has been made in these financial statements.

The Society also attempted to seek, by way of summary judgment, a ruling by the courts that the CFS withdrawal referendum was valid. The court ruled that the case was too complex to do so and thus a full trial would be required.

NOTES TO FINANCIAL STATEMENTS

April 30, 2010

14. CAPITAL DISCLOSURES

The Society defines its capital as its fund balances. The Society manages its capital by preparing and monitoring an operating and capital budget in order to ensure sufficient resources are available to continue as a going concern and to achieve its purposes as disclosed in note 1. The Society accomplishes this, in part, by depositing its capital with Canadian credit unions.

There were no changes in capital management policies during the year ended April 30, 2010.

15. RESTATEMENT OF INTERNALLY RESTRICTED FUNDS AND OTHER ACCOUNTING ADJUSTMENT

Internally Restricted Funds

The Society previously presented certain funds as externally restricted and is now presenting these funds as internally restricted with the previous liability now being recorded as part of the Society's fund balances. Student activity fees and fund levies that were previously deferred until spent are now recognized as revenue in the appropriate fund in the year earned. This change has been applied retroactively and has decreased the amount previously recorded as deferred contributions at April 30, 2008 and April 30, 2009 in the amounts of \$8,351,588 and \$8,046,762, respectively. These amounts are now included in the Society's fund balances.

Accounting Adjustment

The 2009 comparative figures have also been restated for a 2009 Space Expansion expenditure of \$52,149 whose related documentation was not received until 2010.

The above changes result in an increase of the April 30, 2008 fund balances of \$8,351,588 from \$147,933 to \$8,499,521 and an increase of the April 30, 2009 fund balances of \$7,994,613 from \$372,266 to \$8,366,879. In addition, the 2009 revenues increased by \$570,328 from \$5,211,099 to \$5,781,427 and the 2009 expenses increased by \$52,149 from \$4,986,766 to \$5,038,915. Finally, the 2009 revenue over expenses for the year increased by \$518,179 from \$224,333 to \$742,512.

The 2009 statement of cash flows has also been restated to reflect the above changes.

NOTES TO FINANCIAL STATEMENTS

April 30, 2010

16. SUBSEQUENT EVENTS

[a] Highland Pub

The Society expects to incur up to approximately \$831,000 in costs on its Highland Pub ("Pub") for kitchen and other renovations, including new equipment and furniture. To date, the Society has incurred approximately \$125,800 of the total cost. The Pub was closed in July and August 2010 to complete the kitchen renovations. The other Pub renovations are expected to be completed in November and December 2010 with possible Pub closures.

[b] Board Office

The Society committed approximately \$100,000 for renovations on its board office including new furniture. The renovations were almost fully completed by the end of September 2010.

17. COMPARATIVE FIGURES

Certain 2009 comparative figures have been reclassified to conform to the presentation adopted in the current year.

**RETAIL SERVICES
SCHEDULE OF REVENUES AND EXPENSES**

April 30, 2010

	Copy Centre \$ <i>[Schedule 4]</i>	Food and Beverage \$ <i>[Schedule 5]</i>	Total \$
2010			
Revenues			
Sales	90,292	1,726,481	1,816,773
Other income	421	13,960	14,381
Total revenues	90,713	1,740,441	1,831,154
Expenses			
Cost of sales	58,792	593,235	652,027
Direct expenses	—	1,101,382	1,101,382
Other expenses	70,054	176,888	246,942
Total expenses	128,846	1,871,505	2,000,351
Excess of expenses for the year	(38,133)	(131,064)	(169,197)
2009			
Revenues			
Sales	115,021	1,624,046	1,739,067
Other income	470	25,291	25,761
Total revenues	115,491	1,649,337	1,764,828
Expenses			
Cost of sales	76,511	582,758	659,269
Direct expenses	—	1,003,236	1,003,236
Other expenses	71,198	248,931	320,129
Total expenses	147,709	1,834,925	1,982,634
Excess of expenses for the year	(32,218)	(185,588)	(217,806)

**GENERAL, ADMINISTRATION AND FINANCIAL OFFICE
SCHEDULE OF REVENUES AND EXPENSES**

Year ended April 30

	2010 \$	2009 \$
GENERAL OFFICE		
Revenues		
Craft Fair	2,540	3,261
Conference room rental	7,388	9,455
Vendor permits, net of SFU food bank donations	24,159	36,302
Advertising and other	17,109	8,840
	51,196	57,858
Expenses		
Copying	595	431
Craft Fair	3,219	3,159
Office supplies and other	2,705	4,781
Telephone and fax	1,742	1,549
Wages and benefits	190,663	178,233
	198,924	188,153
Net general office expenses	(147,728)	(130,295)

ADMINISTRATION AND FINANCIAL OFFICE

Expenses		
Professional fees	17,817	14,328
Insurance	22,572	22,504
Office and other	17,771	17,728
Wages and benefits – Financial office	105,830	86,172
– Senior Organizational Advisor	45,099	41,514
Total administration and financial office expenses	209,089	182,246

ACTIVITIES AND PROGRAMS SCHEDULE OF EXPENSES

Year ended April 30	2010 \$	2009 \$
Board of directors' allocations		
Activity days and events	17,491	22,265
Donations	500	531
Elections	12,094	15,836
Forum packages	320	552
Legal services – CFS withdrawal	32,738	111,341
– other	26,880	3,429
Surrey campus representation	6,635	4,987
Negotiations or consulting	15,768	3,761
Night Line	5,550	5,875
SCES/SFU (Kamloops Students Society)	1,410	2,424
Stipends	183,929	200,635
Travel and conference	1,052	1,572
Office, printing and other	5,022	8,465
	309,389	381,673
Advocacy and representation		
Student Union organizer	64,119	85,603
Advocacy Committee	4,639	12,515
Ombuds office	49,298	37,740
Resource office	126,417	121,939
University Relations office	64,510	59,802
	308,983	317,599
Other student programs and services		
Legal aid clinic	20,241	26,460
Handbook and website (net)	35,430	20,567
Health Plan Reserve expenses	6,948	11,140
ISIC cards	—	10,525
Women's Centre	76,733	90,724
Out on Campus	65,265	59,722
Surrey Campus	63,460	65,296
	268,077	284,434
Total general fund activity and program expenses	886,449	983,706

COPY CENTRE
SCHEDULE OF REVENUES AND EXPENSES

Year ended April 30

	2010 \$	2009 \$
Revenues		
General	2,211	6,601
Book buybacks	—	6,511
Copying and printing	88,081	101,909
	90,292	115,021
Cost of sales [note 5]		
General	1,246	7,892
Book buybacks	—	4,499
Copying (net of PST refund \$12,885 [2009 - \$Nil])	28,010	34,888
Printing supplies	29,536	29,232
	58,792	76,511
Gross profit	31,500	38,510
Transit and postage (net)	421	470
	31,921	38,980
Expenses		
Office and administration (recovery)	(8)	(163)
Bank charges and interest	1,674	1,280
Other	3,132	2,473
Telephone	748	1,469
Wages and employee benefits	64,508	66,139
	70,054	71,198
Excess of expenses for the year	(38,133)	(32,218)

**FOOD AND BEVERAGE SERVICES
SCHEDULE OF REVENUES AND EXPENSES**

Year ended April 30

	2010 \$	2009 \$
Revenues [schedule 6]	1,726,481	1,624,046
Cost of sales [schedule 6]	593,235	582,758
Gross profit	1,133,246	1,041,288
Direct expenses [schedule 6]	1,101,382	1,003,236
	31,864	38,052
Other revenues		
Advertising	—	3,905
Arcade, vending machines and other	9,389	7,464
Admissions	4,571	13,922
	13,960	25,291
	45,824	63,343
Expenses		
Accounting	26,040	26,040
Administration and office	13,895	11,101
Advertising	11,973	4,810
Bank charges, credit card merchant fees and armoured car	14,924	12,911
Repairs and maintenance	13,290	12,828
Repair and Replacement Reserve expenses [note 8(ii)]	4,126	3,443
Entertainment and event night security	48,937	43,033
Insurance	33,858	33,757
Building operating costs [note 3]	—	90,048
Professional fees	9,845	10,960
Total expenses	176,888	248,931
Excess of expenses for the year	(131,064)	(185,588)

**FOOD AND BEVERAGE SERVICES
SCHEDULE OF REVENUES, COST OF SALES AND
DIRECT EXPENSES**

Year ended April 30

	2010 \$	2009 \$
Revenues		
Beverages	475,138	460,711
Food	1,251,343	1,163,335
	1,726,481	1,624,046
Cost of sales		
Beverages	164,266	160,486
Food	428,969	422,272
	593,235	582,758
Direct expenses		
Restaurant and bar supplies	96,939	93,189
Wages and employee benefits - management	129,589	108,883
- other	874,854	801,164
	1,101,382	1,003,236