

**SOCIETY OF GRADUATE STUDENTS
UNIVERSITY OF WESTERN ONTARIO**

FINANCIAL STATEMENTS

APRIL 30, 2009

AUDITORS' REPORT

To the Members of the
Society of Graduate Students

I have audited the statement of financial position of the Health Division of the Society of Graduate Students as at April 30, 2009 and the statements of income, and cash flows for the year then ended. These financial statements are the responsibility of the company's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance 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 my opinion, these financial statements present fairly, in all material respects, the financial position of the company as at April 30, 2009 and the results of its operations and changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

London, Canada
July 7, 2009

MICHAEL A. KING, C. A.
Licensed Public Accountant

**SOCIETY OF GRADUATE STUDENTS
UNIVERSITY OF WESTERN ONTARIO**

Statement of Financial Position

As at April 30

	2009	2008
Assets		
Current assets:		
Cash	\$ 544,431	\$ 453,100
Loans receivable	10,108	2,375
Accounts receivable	4,003	140
Fees receivable	-	2,015
Prepaid expenses	452	552
Due from Grad Club	131,505	69,321
	690,499	527,503
Capital assets (note 1)	4,982	5,855
Other assets:		
Loan to Grad Club	44,066	69,971
	\$ 739,547	\$ 603,329
Liabilities and Members' Equity		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 400,123	\$ 313,800
Other taxes payable	1,962	1,972
Deferred revenues	4,703	-
	406,788	315,772
Members' equity:		
Balance, beginning of year	287,558	237,390
Add net income for the year	45,201	50,167
Balance, end of year	332,759	287,557
	\$ 739,547	\$ 603,329

See accompanying notes to the financial statements.

**SOCIETY OF GRADUATE STUDENTS
UNIVERSITY OF WESTERN ONTARIO**

Statement of Income

Year ended April 30

	2009	2008
Revenues:		
Health insurance	\$1,473,495	\$1,252,273
Bus pass fees	557,251	495,260
Membership fees - full-time	234,110	232,907
CFS membership dues	55,633	50,270
Administration fees from Grad Club	27,600	27,600
Membership fees - part-time	21,484	21,296
Interest	9,359	14,490
Advertising	6,638	-
Contributions and subsidies	5,734	3,200
Sundry	9,140	2,181
	\$2,400,444	\$2,099,477

See accompanying notes to the financial statements.

**SOCIETY OF GRADUATE STUDENTS
UNIVERSITY OF WESTERN ONTARIO**

Statement of Income - continued

Year ended April 30

	2009	2008
Operating expenses:		
Health insurance	\$1,416,202	\$1,189,531
Bus pass fees	552,285	491,282
Wages and employee benefits	167,267	163,413
Grants, bursaries and donations	71,092	86,001
CFS membership fees	55,633	50,270
Professional services	18,868	10,100
Travel, conferences and executives	18,745	10,655
Handbook	17,144	8,064
T.A. expenses	12,590	10,458
Office supplies and telephone	12,075	10,860
Research forum	4,330	4,815
Amortization	2,856	1,190
Insurance	2,133	2,165
Sponsorship	1,900	6,150
Western Journal of Grad Research	825	-
Social committee	573	437
Advertising	403	562
Bank charges	199	569
Elections/Referendum	80	680
Miscellaneous expense	43	163
Bad debts	-	1,945
	2,355,243	2,049,310
Net income for the year	\$ 45,201	\$ 50,167

See accompanying notes to the financial statements.

**SOCIETY OF GRADUATE STUDENTS
UNIVERSITY OF WESTERN ONTARIO**

Statement of Cash Flows

Year ended April 30

	2009	2008
Cash flows from operating activities:		
Net income for the year	\$ 45,201	\$ 50,167
Items not affecting working capital:		
Amortization	2,856	1,190
Net changes in non-cash working capital		
Loans receivable	(7,733)	(425)
Accounts receivable	(3,863)	4,771
Fees receivable	2,015	3,451
Prepaid expenses	100	92
Due from Grad Club	(62,184)	(7,852)
Accounts payable and accrued liabilities	86,323	63,585
Other taxes payable	(10)	(861)
Deferred revenues	4,703	-
	67,408	114,118
Cash flows from investing activities:		
Additions to capital assets	(1,981)	(649)
Cash flows from financing activities:		
Loan from (to) the Grad Club	25,904	(69,971)
Increase in cash during the year	91,331	43,498
Cash, beginning of year	453,100	409,602
Cash, end of year	\$ 544,431	\$ 453,100

See accompanying notes to the financial statements.

**SOCIETY OF GRADUATE STUDENTS
UNIVERSITY OF WESTERN ONTARIO**

Notes to the Financial Statements

April 30, 2009

General:

These financial statements do not include the Grad Club, a division of the Society of Graduate Students.

Summary of significant accounting policies:

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles, the more significant of which are summarized below.

Capital assets:

Capital assets are recorded at cost. Amortization has been provided using the declining balance method at the following rates, with half amortization on net acquisitions, and no amortization in the year of disposal:

Computer hardware	30 %
Furniture and equipment	20 %

When properties are retired or otherwise disposed of, the assets and related accumulated amortization thereon are removed from the accounts and the resulting gain or loss is credited or charged to income.

1. Capital assets:

	2009		2008	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Computer hardware	\$ 4,457	\$ 1,068	\$ 3,389	\$ 3,863
Furniture and equipment	20,969	19,376	1,593	1,992
	\$ 25,426	\$ 20,444	\$ 4,982	\$ 5,855

**SOCIETY OF GRADUATE STUDENTS
UNIVERSITY OF WESTERN ONTARIO**

Notes to the Financial Statements - continued

April 30, 2009

2. Financial instruments:

The organization's financial instruments consist of cash, accounts receivable, loans receivable and accounts payable. It is management's opinion that the organization is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximate their carrying values.

3. Non-profit organization:

The Society of Graduate Students is a non-profit organization and therefore is not subject to income taxes.