

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

**FINANCIAL STATEMENTS**

**APRIL 30, 2008**

## **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, 2008 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, 2008 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.

Since the prior year's financial statements were prepared on a review engagement basis, therefore, an audit was not performed, I do not express an opinion on the financial statements for the preceding period.

London, Canada  
July 8, 2008

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

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

Statement of Financial Position

As at April 30

	2008	2007
<b>Assets</b>		
Current assets:		
Cash	\$ 453,100	\$ 409,602
Loans receivable	2,375	1,950
Accounts receivable	140	4,910
Fees receivable	2,015	5,467
Prepaid expenses	552	644
Due from Grad Club	69,321	61,469
	<b>527,503</b>	484,042
Capital assets (note 1)	<b>5,855</b>	6,397
Other assets:		
Loan to Grad Club	<b>69,971</b>	-
	<b>\$ 603,329</b>	\$ 490,439
<b>Liabilities and Members' Equity</b>		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 313,800	\$ 250,216
Other taxes payable	1,972	2,833
	<b>315,772</b>	253,049
Members' equity:		
Balance, beginning of year	<b>237,390</b>	168,843
Add net income for the year	<b>50,167</b>	68,547
Balance, end of year	<b>287,557</b>	237,390
	<b>\$ 603,329</b>	\$ 490,439

See accompanying notes to the financial statements.

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

Statement of Income

Year ended April 30

	<b>2008</b>	2007
Revenues:		
Health insurance levy	<b>\$1,252,273</b>	\$1,035,310
Bus pass fees	<b>495,260</b>	416,784
Administration levy from University - full-time	<b>232,907</b>	199,602
CFS membership dues	<b>50,270</b>	43,768
Administration fees from Grad Club	<b>27,600</b>	27,600
Administration levy from University - part-time	<b>21,296</b>	19,818
Interest	<b>14,490</b>	14,165
Contributions	<b>3,200</b>	3,200
Sundry	<b>2,181</b>	8,191
Advertising	-	6,790
	<b>\$2,099,477</b>	\$1,775,228

See accompanying notes to the financial statements.

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

Statement of Income - continued

Year ended April 30

	2008	2007
Operating expenses:		
Health insurance	<b>\$1,189,531</b>	\$ 972,649
Bus pass fees	<b>491,282</b>	412,553
Wages and employee benefits	<b>163,413</b>	149,787
Grants, bursaries and donations	<b>86,001</b>	55,713
CFS membership fees	<b>50,270</b>	43,768
Office supplies and telephone	<b>10,860</b>	12,448
Travel, conferences and executives	<b>10,655</b>	13,435
T.A. expenses	<b>10,458</b>	12,942
Professional services	<b>10,100</b>	6,200
Handbook	<b>8,064</b>	15,190
Sponsorship	<b>6,150</b>	3,489
Research forum	<b>4,815</b>	2,705
Insurance	<b>2,165</b>	2,330
Bad debts	<b>1,945</b>	300
Amortization	<b>1,190</b>	1,296
Elections/Referendum	<b>680</b>	454
Bank charges	<b>569</b>	402
Advertising	<b>562</b>	-
Social committee	<b>437</b>	-
Miscellaneous expense	<b>163</b>	1,020
	<b>2,049,310</b>	1,706,681
Net income for the year	<b>\$ 50,167</b>	\$ 68,547

See accompanying notes to the financial statements.

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

Statement of Cash Flows

Year ended April 30

	2008	2007
Cash flows from operating activities:		
Net income for the year	\$ 50,167	\$ 68,547
Items not affecting working capital:		
Amortization	1,190	1,296
Net changes in non-cash working capital		
Loans receivable	(425)	2,050
Accounts receivable	4,770	(76)
Fees receivable	3,452	(1,969)
Prepaid expenses	92	1,365
Due from Grad Club	(7,852)	(14,716)
Accounts payable and accrued liabilities	63,584	91,197
Other taxes payable	(861)	39
	<b>114,117</b>	<b>147,733</b>
Cash flows from investing activities:		
Additions to capital assets	(648)	(647)
Cash flows from financing activities:		
Loan from (to) the Grad Club	(69,971)	-
Increase in cash during the year	43,498	147,086
Cash, beginning of year	409,602	262,516
Cash, end of year	<b>\$ 453,100</b>	<b>\$ 409,602</b>

See accompanying notes to the financial statements.

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

Notes to the Financial Statements

April 30, 2008

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**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:**

	2008		2007	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Computer hardware	\$ 47,474	\$ 43,611	\$ 3,863	\$ 4,099
Furniture and equipment	20,969	18,977	1,992	2,298
	<b>\$ 68,443</b>	<b>\$ 62,588</b>	<b>\$ 5,855</b>	<b>\$ 6,397</b>

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

Notes to the Financial Statements - continued

April 30, 2008

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**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.