



**UNIVERSITY OF TORONTO**

**UNIVERSITY OF TORONTO STUDENT SOCIETIES  
SUMMARY OF 2006/2007 AUDITORS' OPINIONS**

**SUBMITTED BY THE INTERNAL AUDIT DEPARTMENT**

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## INTRODUCTION

Student societies within the University of Toronto vary widely in size, range of interest and level of activity. However, the recognized student societies have at least three things in common:

- they represent and are responsible to given “constituencies”;
- membership is automatic;
- the University collects non-academic incidental fees from each student eligible to be a member.

Thirty-nine student societies and one affiliate fit the above criteria. These societies are required by Governing Council Policy to:

- maintain adequate and proper accounting records;
- submit financial statements audited by an independent auditor, licensed under the Public Accountancy Act, to the Office of the Vice Provost, Students of the University by December 31<sup>st</sup> of each year.

Student societies may apply for an exemption from the audit requirement if the following conditions are met:

- incidental fees collected on behalf of the student society amount to less than \$30,000 in the fiscal year, and “other revenues” amount to less than \$7,500;
- the request for exemption is made prior to the midpoint of the fiscal year concerned and is supported by at least two-thirds of the full membership of the Council or Board of Directors of the society;
- the Internal Audit Department is satisfied that the society is maintaining proper books of account and supporting documentation.

Societies seeking audit exemptions are required to submit their unaudited financial statements and books of accounts and supporting documentation to the Internal Audit Department for review by December 31<sup>st</sup> of each year.

Regulations and policies relating to student societies are outlined in the *Handbook for Student Societies*, published by the Office of the Vice Provost, Students

## OBJECTIVE AND SCOPE

This report summarizes the student societies' Auditors' opinions, noting societies that have been granted an exemption from the audit requirement, as well as societies that have not submitted audited statements or requested an exemption.

The report covers the twelve months, September 1, 2006 to August 31, 2007. Thirty societies have submitted their financial statements to the Office of the Vice Provost, Students or have been granted an exemption from the audit requirement by the Internal Audit Department. As at April 9, 2008, 6 societies (15%) had not submitted their 2006/2007 audited financial statements. Incidental fees are not released to the societies until audited financial statements are submitted.

## SUMMARY OF SIGNIFICANT NOTES TO SELECTED FINANCIAL STATEMENTS

The following summarizes notes to the audited financial statements received and reported on by Internal Audit:

**University of Toronto Radio Inc.** – The Corporation entered into transactions with Gleaner Community Press for purchases of \$5,778.00 and the sale of advertising for \$6,400.00. The accounts receivable included \$6,784.00 owing by Gleaner Community Press to the Corporation. Mr. Brian Burchell is the manager of the station and is the president and publisher of Gleaner Community Press. The transactions are in the normal course of business.

**Arts & Sciences Students' Union** – Outstanding loans to employees bearing interest at 1% per month on the outstanding balance and payable in full on demand totalled \$2,380 as at April 30, 2007 and \$6,916 as at April 30, 2006.

**Engineering Society** – The Society has been named as a defendant in a pending lawsuit involving a claim for \$1.5 million for damages from injuries sustained by the plaintiff during the normal course of the Society's activity. The outcome of the litigation was not determinable with certainty, so no provision for losses was reflected in the financial statements.

## COMPARATIVE SUMMARY OF AUDITORS' OPINIONS

The following summarizes the external auditors' opinions and exemptions granted or denied in 2006/2007 and 2005/2006:

	<u>2006/2007</u> (39 societies, 1 affiliate)		<u>2005/2006</u> (39 societies, 1 affiliate)	
1. Unqualified audit opinions	7		9	
2. Qualified audit opinions	24		18	
3. Audit exemptions granted	<u>3</u> *		<u>3</u>	
	<u>34</u>		<u>30</u>	
4. Audited financial statements outstanding at the time of this report	<u>6</u> **		<u>10</u> ***	
	<u>40</u>		<u>40</u>	

\* Table I (Page 5)

\*\* Table II (Page 5)

\*\*\* Table III (page 6)

As noted in the 2005/2006 Internal Audit report, 10 societies (25%) did not submit their financial statements by the date of that report. Financial statements have since been received or exemptions granted for six of the societies (Table III). The 89 Chestnut Residence Council have not submitted their 2004/2005 as of the date of this report; the Graduate Architecture, Landscape & Design Student Union have not submitted their 2003/2004 and 2006/2007 statements as at the date of this report; University College Residence Council and UTSC College Student Village Council have not submitted their 2004/2005, 2005/2006, 2006/2007 statements as of the date of this report; the Physical & Occupational Therapy Graduate Student's Council have not submitted their 2002/2003, 2003/2004, 2004/2005, and 2005/2006 statements as at the date of this report; the Erindale Part-Time Undergraduate Students Association have not submitted their 2002/2003, 2003/2004, 2004/2005, 2005/2006 and 2006/2007 statements as at the date of this report.

**TABLE I:** Societies that received an exemption from the audit requirement.

NAME	FEE REVENUE \$	OTHER REVENUE \$
Graduate House Council	16,203	3,737
New College Residence Council	17,260	2,603
Woodsworth College Residence Council	7,180	1,502

**TABLE II:** Societies that have not submitted their 2006/2007 audited financial statements as at April 9, 2008

NAME	FEE REVENUE \$	YEAR-END
Erindale Part-Time Undergraduate Students Association (See also Table III)	6,553	April 30, 2007
Graduate Architecture, Landscape & Design Student Union (See also Table III)	21,145	August 31, 2007
The Medium (See also Table III)	68,908	April 30, 2007
University College Residence Council (See also Table III)	11,055	September 30, 2007

**TABLE II (Cont.)**

UTSC College Student Village Council (See also Table III)	22,025	April 30, 2007
VIBE Radio Erindale	39,717	April 30, 2007

**TABLE III:** Societies that have submitted their 2005/2006 financial statements subsequent to the prior year's Internal Audit Report or are still outstanding as at the date of this report.

NAME	FEE REVENUE \$	YEAR-END
89 Chestnut Residence Council, 2004/2005 statements outstanding. (Received 2005/2006 statements.)	17,415	August 31, 2006
Erindale Part-Time Undergraduate Students Association (2002/2003, 2003/2004, 2004/2005 statements outstanding) <sup>1</sup>	6,273	April 30, 2006
Graduate Architecture, Landscape & Design Student Union 2003/2004 statements are outstanding. (Received 2004/2005 and 2005/2006 statements)	22,794	August 31, 2006
Medical Society (Received 2002/2003, 2003/2004, 2004/2005, 2005/2006 statements).	46,715	June 30, 2006
Physical & Occupational Therapy Graduate Students' Council (2002/2003, 2003/2004, 2004/2005, 2005/2006 statements outstanding) <sup>1</sup>	3,225	April 30, 2006
Student's Law Society (Received)	48,317	August 31, 2006
The Medium (Received)	63,921	April 30, 2006
University College Residence Council (2004/2005 and 2005/2006 statements outstanding) <sup>1</sup>	11,025	September 30, 2006

**TABLE III (Cont.)**

UTSC College Student Village Council (2004/2005 and 2005/2006 statements outstanding) <sup>1</sup>	18,350	April 30, 2006
Vibe Radio Erindale (Received)	36,514	April 30, 2006

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<sup>1</sup>. As a result of the outstanding Financial Statements, the following societies' funds have been withheld by the University: Erindale Part-Time Undergraduate Students Association (\$26,120.67); Physical & Occupational Therapy Graduate Students' Council (\$15,680.50); University College Residence Council (\$14,025.00); UTSC College Student Village Council (\$19,939.50).

Respectfully submitted,

Mr. M.L. Britt  
 Director  
 Internal Audit Department

April 22, 2008