



UNIVERSITY OF TORONTO

**UNIVERSITY OF TORONTO STUDENT SOCIETIES
SUMMARY OF 2009/2010 AUDITORS' OPINIONS**

SUBMITTED BY THE INTERNAL AUDIT DEPARTMENT

Recipients:

Professor J. Matus – Vice-Provost, Students
Mr. J. Delaney - Director, Office of the Vice-Provost Students
Professor C. Misak – Vice-President and Provost
Professor D. Naylor – President
Mr. L. Charpentier - Secretary of the Governing Council

TABLE OF CONTENTS

	Page
INTRODUCTION	3
OBJECTIVE AND SCOPE	3
SUMMARY OF SIGNIFICANT NOTES TO SELECTED FINANCIAL STATEMENTS	4
COMPARATIVE SUMMARY OF AUDITORS' OPINIONS	4

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 or reviewed by an independent auditor, licensed under the Public Accountancy Act, to the Office of the Vice Provost, Students of the University by December 31st 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 31st 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, 2009 to August 31, 2010. Twenty-six societies and one affiliate 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 March 1, 2011, 13 societies (32.50%) had not submitted their 2009/2010 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 the significant note(s) to the audited financial statements received and reported on by Internal Audit:

University of Toronto Community Radio Inc. (CIUT) – Subsequent to the year end, the station manager was dismissed due to management’s allegations of having misappropriated company assets. As at April 30, 2010, the station had a working capital deficiency of \$285,735 and a deficit of \$178,101; its ability to continue as a going concern is dependant upon its ability to generate sufficient funds through operations or to make other financing arrangements to meet its obligations as they come due.

University of Toronto Engineering Athletic Association – An outstanding non-interest bearing loan advanced to the affiliate from its parent (The U of T Engineering Society) due on demand totalled \$7,044 as at July 31, 2010.

COMPARATIVE SUMMARY OF AUDITORS’ OPINIONS

The following summarizes the external auditors’ opinions and exemptions granted or denied in 2009/2010 and 2008/2009:

	<u>2009/2010</u> (39 societies ¹ 1 affiliate)	<u>2008/2009</u> (40 societies 1 affiliate)
1. Unqualified audit opinions	11	16
2. Qualified audit opinions	16	10
3. Audit exemptions granted	<u>0</u> *	<u>2</u> *
	<u>27</u>	<u>28</u>
4. Audited financial statements outstanding at the time of this report (including Exemption requests)	<u>13</u> **	<u>13</u> ***
	<u>40</u>	<u>41</u>

* Table I (Page 4)

** Table II (Page 5)

*** Table III (page 6)

As noted in the 2008/2009 Internal Audit report, 13 societies (32%) did not submit their financial statements by the date of that report. Financial statements have since been received or exemptions

¹The Erindale Part-Time Undergraduate Students Association is no longer included as fees are no longer collected through ROSI

granted for nine (9) of the societies (Table III): the Erindale Part-Time Undergraduate Students Association was included last year but were not added this year as fees are no longer collected through ROSI; the Graduate Business Council have not submitted their 2008/2009 statements as of the date of this report; the New College Residence Council have exemption requests outstanding for 2008/2009 and 2009/2010 as of the date of this report; The University College Residence Council has an exemption request outstanding for 2009/2010, were not granted an exemption for their 2008/2009 statements due to incomplete documentation.

TABLE I: No societies received an exemption from the audit requirement for 2009/10. Four exemption requests are in progress at the time of this report (see also Table II).

TABLE II: Societies that have not submitted their 2009/2010 audited financial statements as at March 1, 2011.

NAME	FEE REVENUE \$	YEAR-END
89 Chestnut Residence Council	\$18,285	August 31, 2010
Graduate Business Council	\$63,002	April 30, 2010
Graduate House Council (exemption request)	\$16,247	August 31, 2010
Music Undergraduate Society	\$7,095	April 30, 2010
New College Residence Council (exemption request)	\$15,730	April 30, 2010
Physical & Occupational Therapy Graduate Students Council	\$3,345	April 30, 2010
Student Law Society	\$50,945	April 30, 2010
Physical & Health Education Undergraduate Association	\$22,847	May 31, 2010

NAME	FEE REVENUE \$	YEAR-END
University College Residence Council (exemption request)	\$11,130	September 30, 2010
UTSC College Student Village Council	\$22,125	April 30, 2010
Radio Erindale, VIBE	\$45,182	April 30, 2010
Woodsworth College Students Association	\$134,687	April 30, 2010
Woodsworth Residence Council (exemption request)	\$7,140	April 30, 2010

TABLE III: Societies that have submitted their 2008/2009 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
University of Toronto Radio Inc. (CUIT) (Received 2008/2009 statements)	189,682	April 30, 2009
Engineering Athletic Association (Received 2007/2008; 2008/2009 statements)	36,026	July 31, 2009
Erindale Part-time Undergraduate Students ³	560	April 30, 2009
Graduate Architecture, Landscape, & Design (Received 2008/2009 statements)	25,875	August 31, 2009
Graduate Business Council (Received 2007/2008 statements; 2008/2009 outstanding)	58,504 ²	April 30, 2009

Music Undergraduate Society (Received 2008/2009 statements)	6,360	April 30, 2009
New College Residence Council (Exemption request outstanding for 2008/2009)	15,580 ²	April 30, 2009
University College Residence Council (Exemption not granted for 2008/2009; 2004//2005 statements outstanding)	11,055 ²	September 30, 2009
UTM Residence Council (Received 2007/2008; 2008/2009 statements)	24,600	April 30, 2009
UTSC Campus Students Press (The Underground) (Received 2008/2009 statements)	64,452	April 30, 2009
UTSC College Student Village Council (Received 2008/2009 statements)	21,990	April 30, 2009
Radio Erindale – VIBE (Received 2008/2009 statements)	41,698	April 30, 2009
Woodsworth College Students Association (Received 2008/2009 statements)	137,260	April 30, 2009

² As a result of the outstanding Financial Statements, the following societies' funds have been withheld by the University as at March 4, 2011: Graduate Business Council (\$13,013); New College Residence Council (\$15,820) and University College Residence Council (\$14,287).

³ The administration has suspended the collection of Erindale Part-Time Undergraduate Students Association (EPUS) fee beginning with the summer of 2009 session as EPUS has not been active in 2008-9 and has not submitted audited financial statements for six years. A decision has not been made with respect to the \$31, 709 in fees collected to date.

Respectfully submitted,

Mr. M.L. Britt
Director
Internal Audit Department

April 5, 2011