
**Canadian Federation of Students and
Canadian Federation of Students -
Services**

Combined Financial Statements

June 30, 2011

**Canadian Federation of Students
and Canadian Federation of Students - Services**

Financial Statements

June 30, 2011

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Independent Auditor's Report

To the Members of Canadian Federation of Students and Canadian Federation of Students - Services

We have audited the accompanying financial statements of Canadian Federation of Students and Canadian Federation of Students - Services, which comprise the combined statement of financial position as at June 30, 2011, and the combined statements of operations, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Combined Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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 comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Federation's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Federation's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Canadian Federation of Students and Canadian Federation of Students - Services as at June 30, 2011, and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.



Ottawa
April 13, 2012

McLarty & Co Professional Corporation
(Authorized to practice public accounting by the
Institute of Chartered Accountants of Ontario)

**Canadian Federation of Students
and Canadian Federation of Students - Services**

Combined Statement of Operations

For the year ended June 30,	2011	2010
Revenue		
Membership fees	\$ 3,929,617	\$ 4,169,895
National Student Health Network Program (schedule 1)	424,078	225,836
Student Work Abroad Program (schedule 2)	306,751	514,316
Royalty/referral fee from Merit Travel Ventures Inc./Canadian Universities Travel Service Limited (note 10)	65,616	148,206
Rental	60,600	58,234
Interest	43,587	252,738
Other	18,448	62,438
	4,848,697	5,431,663
Expenses		
Caucus and component allocation (note 10)	901,826	925,973
Membership development and outreach	698,642	367,567
Campaigns	598,496	315,909
Bad debts	389,139	790
Discount Program (schedule 3)	354,588	143,390
National general meetings	304,313	281,559
Administration and office	264,347	241,504
Professional fees	240,680	174,940
Amortization	240,655	164,082
National executive salaries and benefits	152,334	161,245
Building	112,542	144,646
Bulk buying - Orientation and Promotional Materials (schedule 4)	91,508	103,719
Communications	68,713	104,814
Website Service (schedule 5)	64,130	41,726
Handbook Service (schedule 6)	60,239	102,339
National executive meetings	52,263	36,943
Constituency allocations - general	26,457	21,273
Constituency allocations - aboriginal	27,263	21,590
Students' Union Directory	11,773	24,019
Translation	11,060	4,918
Miscellaneous	4,058	7,953
	4,675,026	3,390,899
Excess of revenue over expenses before other items	173,671	2,040,764
Other expenses (income)		
Loss on disposal of advances to Student Rewards Inc. (note 8)	159,500	-
Loss on disposal of advances to Studentphonestore (note 8)	-	405,892
Loss on disposal of capital assets	-	4,505
Loss on disposal (recovery) of balance owed by Canadian Universities Travel Service Limited (note 2)	(44,600)	900,366
	114,900	1,310,763
Excess of revenue over expenses	\$ 58,771	\$ 730,001

**Canadian Federation of Students
and Canadian Federation of Students - Services**

Combined Statement of Changes in Net Assets

For the year ended June 30, 2011

	Non- designated Funds (note 11)	Bilingualism Fund (note 11)	Federal Election Campaign Fund (note 11)	Membership Drives and Referenda Fund (note 11)	Total 2011	Total 2010
Balance, beginning of year	\$ 9,595,289	\$ 19,670	\$ 100,000	\$ 115,000	\$ 10,046,940	\$ 9,316,939
Excess of revenue over expenses	58,771	-	-	-	58,771	730,001
Balance, end of year	\$ 9,654,060	\$ 19,670	\$ 100,000	\$ 115,000	\$ 10,105,711	\$ 10,046,940

	Kevin Coleman Students Rights Defence Fund (note 11)	National General Meeting Students with Disabilities Access Fund (note 11)	Legal Defence Fund (note 11)
Balance, beginning of year	\$ 42,885	\$ 65,000	\$ 109,096
Excess of revenue over expenses	-	-	-
Balance, end of year	\$ 42,885	\$ 65,000	\$ 109,096

**Canadian Federation of Students
and Canadian Federation of Students - Services**

Combined Statement of Financial Position

June 30,	2011	2010
Assets		
Current		
Cash	\$ 2,299,830	\$ 558,089
Guaranteed investment certificate (note 5)	108,379	26,636
Accounts receivable	3,421,779	3,559,346
Inventories (note 6)	156,813	23,551
Prepaid expenses	763,611	783,686
Due from Canadian Universities Travel Service Limited (note 2)	248,857	1,926,880
Due from Merit Travel Ventures Inc. (note 7)	427,247	307,753
Advances to Student Rewards Inc. (note 8)	-	159,500
Total current assets	7,426,516	7,345,441
Due from Canadian Universities Travel Service Limited (note 2)	-	204,257
Guaranteed investment certificate (note 5)	27,692	105,860
Capital assets (note 9)	4,188,066	4,279,328
	\$ 11,642,274	\$ 11,934,886

Liabilities

Current		
Accounts payable and accrued liabilities	\$ 1,339,915	\$ 1,658,724
Program deposits	196,648	227,222
Unearned revenue	-	2,000
	1,536,563	1,887,946

Net Assets

Non-designated Funds (note 11)	9,654,060	9,595,289
Bilingualism Fund (note 11)	19,670	19,670
Federal Election Campaign Fund (note 11)	100,000	100,000
Membership Drives and Referenda Fund (note 11)	115,000	115,000
Kevin Coleman Students Rights Defence Fund (note 11)	42,885	42,885
National General Meeting Students with Disabilities Access Fund (note 11)	65,000	65,000
Legal Defence Fund (note 11)	109,096	109,096
	10,105,711	10,046,940
	\$ 11,642,274	\$ 11,934,886

Approved by the board:

_____ Chairperson _____ Treasurer

**Canadian Federation of Students
and Canadian Federation of Students - Services**

Combined Statement of Cash Flows

For the year ended June 30,	2011	2010
Operating activities		
Excess of revenue over expenses	\$ 58,771	\$ 730,001
Items not affecting cash		
Amortization	248,355	172,622
Loss on disposal of capital assets	-	4,505
Loss on disposal of advances to studentphonestore	-	405,892
Loss on disposal of advances to Student Rewards Inc.	159,500	-
	466,626	1,313,020
Change in non-cash working capital items		
Accounts receivable	137,567	(1,263,805)
Inventories	(133,262)	162,761
Prepaid expenses	20,075	58,498
Accounts payable and accrued liabilities	(318,809)	74,782
Program deposits	(30,574)	35,982
Unearned revenue	(2,000)	(34,041)
	139,623	347,197
Financing activities		
Advances to Student Rewards Inc.	-	(29,500)
Advances to Merit Travel Ventures Inc.	(119,494)	(307,753)
	(119,494)	(337,253)
Investing activities		
Advances from (to) Canadian Universities Travel Service Limited	1,882,280	(603,677)
Purchase of guaranteed investment certificate	(3,575)	(106,909)
Purchase of capital assets	(157,093)	(714,847)
	1,721,612	(1,425,433)
Increase (decrease) in cash	1,741,741	(1,415,489)
Cash, beginning of year	558,089	1,973,578
Cash, end of year	\$ 2,299,830	\$ 558,089

**Canadian Federation of Students
and Canadian Federation of Students - Services**

Notes to the Combined Financial Statements

For the year ended June 30, 2011

1. Nature of operations

Canadian Federation of Students and Canadian Federation of Students - Services ("CFS" and "CFS-S") were both incorporated under the Canada Corporations Act. These two entities are collectively referred to as "the Federation". They are tax-exempt, non-profit organizations providing national representation and services to their members who are comprised of post-secondary students in Canada. Emphasis is placed on improvements to the quality and affordability of post-secondary education and on providing cost saving services to individual students and students' unions.

The Federation's primary source of revenue is from membership fees paid by individual university and college students. Membership in the Federation is decided at each university and college campus through membership referendum.

During the year June 30, 1996, the Federation passed a resolution creating a Bylaw whereby CFS would be amalgamated with CFS-S. The Bylaw states that CFS is to surrender its charter and determine a date upon which it will be dissolved, and that on this date all debts, liabilities and obligations of CFS will be discharged and the property and assets of CFS will be transferred to CFS-S. Furthermore, on this date CFS-S will change its name to Canadian Federation of Students.

As at April 11, 2012, the amalgamation has not occurred and, as a result, CFS and CFS-S continue to operate as separate entities. The accompanying statements reflect the Federation's combined operations of the CFS and the CFS-S.

**Canadian Federation of Students
and Canadian Federation of Students - Services**

Notes to the Combined Financial Statements

For the year ended June 30, 2011

2. Investment in Canadian Universities Travel Service Limited

During 2010, due to declining sales and growing net losses, Canadian University Travel Service Limited (CUTS), was unable to meet its obligations as agent to CFS-Services under the Student Work Abroad Program (SWAP) and the International Student Identity Card Program (ISIC). As a result, a receiver was appointed to complete the sale of CUTS.

On October 18, 2009, an asset purchase and sale agreement was entered into by CUTS with Merit Travel Ventures Inc. (Merit), which agreement was ultimately consummated by the receiver. The agreement included substantially all the assets of CUTS with exceptions, which included the 187 College Street property owned by CUTS. Under the asset purchase and sale agreement, Merit assumed substantially all the lease related obligations and liabilities with respect to customer trust deposits. In exchange, Merit paid the vendor \$1 plus 5% of annual net revenue of the purchased business up to and including \$14,000,000 and 3% of annual net revenue of the purchased business in excess of \$14,000,000 for a period of 48 months starting November 1, 2009. In addition to the forenoted compensation, Merit also agreed to pay a royalty to each shareholder of CUTS, proportionate to their shareholdings, equal to 0.35% of net sales for all business transacted with students including business transacted through websites for which the shareholders provide links.

CFS-Services is the principal and first priority registered secured creditor of CUTS, with security over all its assets. During 2011, the Ontario Superior Court of Justice ordered the Receiver to make a distribution to CFS-Services of \$1,969,889 as full and final payment of the secured claim. Any further claims will be dealt with as an unsecured claim in accordance with the settlement. Subsequent to June 30, 2011, \$248,857 was received as a first dividend payment on the unsecured claim.

Contemporaneous with the sale, CFS-Services entered into a services agreement with Merit to administer the SWAP and to sell ISICs on its behalf.

As a result of the receivership, the supporting documentation with respect to these activities was not available for audit for the period from July 1, 2009 to October 25, 2009; thus the comparative figures included in these financial statements are based on the internal financial statements provided by the receiver of CUTS.

**Canadian Federation of Students
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Notes to the Combined Financial Statements

For the year ended June 30, 2011

3. Significant accounting policies

These financial statements are prepared in accordance with Canadian generally accepted accounting principles. The significant policies are detailed as follows:

(a) Revenue recognition

The Federation follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Membership fees are based on the number of students in the members' student union. These revenues are earned and recorded on a basis consistent with the members' semesters, which are generally fall, winter and summer.

Royalty revenue charged to Merit Travel Ventures Inc. (Merit) is recorded based on an agreed percentage of Merit's gross domestic student travel sales. The sales are recorded when the travel service is provided.

Student Work Abroad Program (SWAP) revenue and expenses are recorded when the related travel services have been provided. Unearned SWAP receipts are recorded as program deposits on the statement of financial position.

National Student Health Network revenue is received annually from the Network brokerage and recognized when received or receivable when the amount to be received can be reasonably estimated and collection is reasonably assured.

Rental revenue is recorded in earnings at the beginning of the month for which rent is due.

Other revenues are recognized when received or receivable when the amount to be received can be reasonably estimated and collection is reasonably assured.

(b) Allocation of expenses

The Federation allocates salaries and benefits based on an estimate of the percentage of time each person typically spends on each area.

(c) Contributed services

Volunteers contribute time to assist the Federation in carrying out its mandate. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

(d) Inventories

Inventories consist of student discount cards and bulk purchasing textiles. Inventories are valued at the lower of cost and net realizable value. The cost of the inventories is determined substantially according to the weighted average method.

**Canadian Federation of Students
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Notes to the Combined Financial Statements

For the year ended June 30, 2011

3. Significant accounting policies (continued)

(e) Capital assets

Capital assets are recorded at cost. The Federation provides for amortization using the following methods at rates designed to amortize the cost of the capital assets over their estimated useful lives. The annual amortization rates and methods are as follows:

Buildings	20 years Straight-line and 5 % Declining balance
Furniture and equipment	25% Declining balance
Leasehold improvements	5 years Straight-line
Computer equipment	3 years Straight-line
Computer software	3 years Straight-line

One half of the year's amortization is recorded in the year of acquisition. No amortization is recorded in the year of disposal.

(f) Financial instruments

The Federation has applied the recommendations of Section 3861, "Financial Instruments - Disclosure and Presentation" of the CICA Handbook with respect to the presentation and disclosure of financial instruments.

The Federation's financial instruments consist of cash, accounts receivable, guaranteed investment certificate, due from Canadian Universities Travel Service Limited, advances to Student Rewards Inc., Due from Merit Travel Ventures Inc., and accounts payable and accrued liabilities.

On initial recognition, all financial assets and liabilities are measured and recognized at their fair value. Subsequently, financial assets and liabilities are measured and recognized as follows:

Cash and cash equivalents and the guaranteed investment certificate are classified as a held for trading financial asset and are measured at fair value.

Accounts receivable, due from Canadian Universities Travel Service Limited, due from Merit Travel Ventures Inc., and advances to Student Rewards Inc. are classified as loans and receivable financial assets. These are measured at amortized cost, which is generally the initially recognized amount, less any allowance for doubtful accounts.

Accounts payable and accrued liabilities are classified as other financial liabilities and are measured at amortized cost using the effective interest rate method.

**Canadian Federation of Students
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Notes to the Combined Financial Statements

For the year ended June 30, 2011

3. Significant accounting policies (continued)

(g) 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 at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. By their nature, these estimates are subject to measurement uncertainty. The effect of changes in such estimates on the financial statements in future periods could be significant. Accounts significantly affected by estimates in these financial statements are accounts receivable and allowance for doubtful accounts.

4. Future changes to significant accounting policies

The Accounting Standard Board has approved a new framework that is based on Canadian generally accepted accounting principles and incorporates the existing accounting standards which relate to situations unique to not-for-profit organizations (NFPO). The new NFPO standards were released as of December 1, 2010 as Part III of the CICA Accounting Handbook and are effective for fiscal years beginning on or after January 1, 2012. Early adoption is permitted. NFPO's that adopt Part III of the Handbook also adopt the standards of private enterprises in Part II of the Handbook to the extent that the Part II standards address topics not addressed in Part III.

NFPO's also have the option of adopting International Financial Reporting Standards as an alternative to the above.

The new reporting options were created to recognize the diverse nature of NFPOs and will provide useful financial statements for members, boards, contributors, lenders, clients, and other users.

The Federation's management is currently in the process of assessing the impact of the new standards on its financial statements.

5. Guaranteed investment certificate

The current guaranteed investment certificate bears interest at 2.38% per annum and matures April 2012. The long-term guaranteed investment certificate bears interest at 2.27% per annum and matures June 2013.

**Canadian Federation of Students
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Notes to the Combined Financial Statements

For the year ended June 30, 2011

6. Inventories

	2011	2010
Student discount cards	\$ 112,955	\$ 23,551
Bulk purchasing textiles	43,858	-
Total inventories	\$ 156,813	\$ 23,551

7. Due from Merit Travel Ventures Inc.

The amount due from Merit Travel Ventures Inc. is due on demand and non-interest bearing. It is comprised of the following:

	2011	2010
SWAP income	\$ 323,661	\$ 196,723
ISIC income	7,866	45,756
Royalty fees	12,257	11,975
SWAP accounts receivable and prepaid expenses	(270,075)	(372,063)
SWAP accounts payable, accrued liabilities and deferred revenue	443,538	425,362
Interim payment on SWAP and ISIC income	(90,000)	-
	\$ 427,247	\$ 307,753

8. Advances to related parties

The amount due from Student Rewards Inc., which were advances from 2008 to 2010 to provide bridge financing for a new student discount program, was written off during the year as it was anticipated that Student Rewards Inc. was not able to repay the advances.

The amount due from Studentphonestore was a deposit on a possible investment in the partnership, which was written off in 2010, as the Studentphonestore was no longer operational.

**Canadian Federation of Students
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Notes to the Combined Financial Statements

For the year ended June 30, 2011

9. Capital assets

	2011		
	Cost	Accumulated amortization	Net book value
Land	\$ 875,276	\$ -	\$ 875,276
Buildings	3,567,855	381,293	3,186,562
Furniture and equipment	623,436	556,769	66,667
Leasehold improvements	30,101	23,225	6,876
Computer equipment	94,008	56,613	37,395
Computer software	93,315	78,025	15,290
	\$ 5,283,991	\$ 1,095,925	\$ 4,188,066
	2010		
	Cost	Accumulated amortization	Net book value
Land	\$ 875,276	\$ -	\$ 875,276
Buildings	3,466,178	208,468	3,257,710
Furniture and equipment	613,490	502,642	110,848
Leasehold improvements	30,101	18,641	11,460
Computer equipment	63,578	47,843	15,735
Computer software	78,275	69,976	8,299
	\$ 5,126,898	\$ 847,570	\$ 4,279,328

**Canadian Federation of Students
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Notes to the Combined Financial Statements

For the year ended June 30, 2011

10. Related party transactions

The Federation has charged Merit a royalty of \$65,616 (2010 - \$52,275) and CUTS a referral fee of \$nil (2010 - \$95,931) for the student travel business that Merit and CUTS derive as a result of their relationship with the Federation. The fee is computed as a percentage of the gross domestic student travel sales reported by Merit and CUTS.

The Federation serves as the Canadian agent for the International Student Identity Card (ISIC) - Discount Program. The Federation paid to Merit \$149,463 (2010 - \$135,919) and to CUTS \$nil (2010 - \$43,665) as a commission for issuing the cards.

The Federation owns the Student Work Abroad Program (SWAP). The Federation paid to Merit \$205,517 (2010 - \$153,415) and to CUTS \$nil (2010 - \$74,351) as a commission for running the program.

Affiliated provincial organizations in British Columbia and Ontario provide services to the Federation for which they are paid an allocation based on the Federation membership in their respective provinces. The component allocation charge is not paid to the provincial components until the respective membership fee is received. During the year, the Federation paid \$406,961 (2010 - \$397,277) to the Ontario component, and \$218,935 (2010 - \$116,103) to the British Columbia component. These amounts are included in the combined statement of operations.

11. Capital Management

The Federation considers its capital to consist of designated funds, non-designated funds, program deposits and unearned revenue.

	2011	2010
Designated funds	\$ 451,651	\$ 451,651
Non-designated funds	9,654,060	9,595,289
Program deposits	196,648	227,222
Unearned revenue	-	2,000
	\$ 10,302,359	\$ 10,276,162

**Canadian Federation of Students
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Notes to the Combined Financial Statements

For the year ended June 30, 2011

11. Capital Management (continued)

The Federation's objective when managing capital is to maintain financial stability and its ability to continue as a going concern through the effective management of liquidity. The Federation relies on membership fees to fund its ongoing operations and it maintains sufficient cash balances to fund its operations.

Designated Funds:

Bilingualism Fund:

In 1990, the Federation established a fund to provide bilingual services after the expiration of a government grant in 1991.

Federal Election Campaign Fund:

In 2006, the Federation established a fund to stabilize spending from year to year on activities related to federal elections.

Membership Drives and Referenda Fund:

In 2004, the Federation established a fund to stabilize the cost of membership drives and referenda from year to year.

Kevin Coleman Students Rights Defence Fund:

In 1988, the Federation established a fund to aid members involved in student rights litigation.

National General Meeting Students with Disabilities Access Fund (formerly: General Meeting Disabled Access Fund):

In 2002, the Federation established a fund to cover the costs of additional requirements for students with disabilities to participate in general meetings.

Legal Defence Fund:

In 2000, the Federation established a fund to stabilize legal spending from year to year related to a legal claim that was settled in 2006.

There are no external restrictions on the Federation's funds.

The Federation is not subject to externally imposed capital requirements.

**Canadian Federation of Students
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Notes to the Combined Financial Statements

For the year ended June 30, 2011

12. Allocation of expenses

Administrative wages and benefits have been allocated as follows:

	2011	2010
Discount Program	\$ 6,775	10,875
National Student Health Network Program	13,004	10,875
Handbook Service	13,703	2,491
Bulk Buying - Orientation and Promotional Materials	12,753	10,771
Website Service	19,945	28,265
	\$ 66,180	\$ 63,277

13. Comparative figures

The financial statements have been reclassified, where applicable, to conform to the presentation used in the current year. The changes do not affect prior year earnings.

14. Financial instruments

Credit risk

Credit risk arises from the potential that a member campus will fail to perform its obligations. The Federation is exposed to credit risk from member campuses. However, the Federation has a significant number of member campuses which minimizes concentration of credit risk.

Fair value

The carrying values of cash, short-term guaranteed investment certificates, accounts receivable, due from Canadian Universities Travel Service Limited, due from Merit Travel Ventures Inc., and accounts payable and accrued liabilities, approximate their fair values due to the relatively short-term maturity of these instruments.

**Canadian Federation of Students
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Schedules to the Combined Financial Statements

Combined Schedule of National Student Health Network Program **Schedule 1**

	2011	2010
Revenue		
Administrative fees	\$ 622,397	\$ 440,854
Expenses		
Wages and benefits (note 12)	157,022	155,295
Support	15,069	16,649
Rent	9,000	18,825
National general and executive meetings	4,819	2,230
Communications	4,721	2,108
Legal	2,793	618
Copying and printing	2,128	12,506
Bank charges	1,209	3,841
Office and administration	890	2,041
Amortization	668	692
Software and equipment	-	213
	198,319	215,018
Excess of revenue over expenses	\$ 424,078	\$ 225,836

**Canadian Federation of Students
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Schedules to the Combined Financial Statements

Combined Schedule of Student Work Abroad Program **Schedule 2**

	2011	2010
Revenue		
Program fees	\$ 2,055,171	\$ 2,323,185
Other	1,726	155,683
	2,056,897	2,478,868
Cost of sales	719,425	1,078,691
	1,337,472	1,400,177
Expenses		
Wages and benefits	465,521	392,058
Commission (note 10)	205,517	227,496
Rent	152,933	150,710
Advertising and promotion	89,471	101,195
Office and administration	40,496	39,626
Communications	25,172	34,757
Professional fees	20,400	23,535
Travel	16,966	6,576
Conferences	7,244	12,971
Amortization	7,032	7,848
Equipment rental	-	3,028
Bank charges	-	1,673
Taxes and licenses	-	20
Recovery of program costs	-	(116,367)
Bad debts (recovery)	(31)	735
	1,030,721	885,861
Excess of revenue over expense	\$ 306,751	\$ 514,316

**Canadian Federation of Students
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Schedules to the Combined Financial Statements

Combined Schedule of Discount Program

Schedule 3

	2011	2010
Revenue		
Card sales	\$ 312,233	\$ 418,022
Cost of sales	139,396	83,858
Gross margin	172,837	334,164
Expenses		
Copying and printing	167,382	152,504
Commission (note 10)	149,462	179,582
Wages and benefits (note 12)	80,691	102,841
Advertising and promotion	55,265	52,057
Office and administration	33,268	10,326
Professional fees	12,000	17,634
Communications	10,589	9,335
Rent	10,200	7,186
Travel	5,463	8,933
Software and equipment	1,960	1,159
Miscellaneous	978	10,752
Conferences	167	2,585
Equipment rental	-	400
Bank charges	-	195
Recovery of program costs	-	(77,935)
	527,425	477,554
Excess of expenses over revenue	\$ (354,588)	\$ (143,390)

**Canadian Federation of Students
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Schedules to the Combined Financial Statements

Combined Schedule of Bulk buying - Orientation and Promotional Materials **Schedule 4**

	2011	2010
Revenue	\$ 616,770	\$ 489,022
Expenses		
Materials	624,436	541,362
Shipping and storage	71,040	40,588
Wages and benefits (note 12)	12,753	10,771
Miscellaneous	49	20
	708,278	592,741
Excess of expenses over revenue	\$ (91,508)	\$ (103,719)

**Canadian Federation of Students
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Schedules to the Combined Financial Statements

Combined Schedule of Website Service

Schedule 5

	2011	2010
Revenue	\$ 45,274	\$ 37,982
Expenses		
Hosting costs	89,459	51,443
Wages and benefits (note 12)	19,945	28,265
	109,404	79,708
Excess of expenses over revenue	\$ (64,130)	\$ (41,726)

**Canadian Federation of Students
and Canadian Federation of Students - Services**

Schedules to the Combined Financial Statements

Combined Schedule of Handbook Service

Schedule 6

	2011	2010
Revenue		
Sales	\$ 796,889	\$ 812,279
Advertising	3,000	17,199
	799,889	829,478
Expenses		
Printing	766,253	850,900
Courier and shipping	53,346	51,602
Design	24,446	26,383
Wages and benefits (note 12)	13,703	2,491
General	2,380	441
	860,128	931,817
Excess of expenses over revenue	\$ (60,239)	\$ (102,339)
