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# MEMO

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| **Date:** | August 31, 2017 |
| **To:** | John McGowan, General Manager  Daniel D’Souza, V. P. Finance |
| **From:** | Maggie Gallagher, Comptroller |
| **Subject:** | **July 2017** Finance Report for the SRA |

The MSU remains in a strong financial position with a liquidity ratio of $2.84 of current assets to meet every $1.00 of current liabilities. The MSU is showing a net loss for the month of July in the amount of $1,448,064.29. This is a major change from last year’s net profit of $781,014.80. The difference is due to the timing of expenses incurred for the Student Health & Dental plans. SSQ was paid a little over $1,000,000 while these costs were not paid until September of last year. Also, last year at this time, we had received an advance of $1,000,000 for our student fees but did not received any monies in July this year. As per our agreement with the University, we will receive $500,000 in August.

**Administration**

Administration is showing a net loss for the year in the amount of $222,803.92 which is $26,814.73 or 14% higher than the net loss for last July (after making an adjustment for the $1,000,000 fee revenue). The main contributors are Computer Supplies and Software due to the additional work done on the website for the ticketing portal and bank charges.

**Business Units**

The business units are showing a net loss for the year of $51,331.12. This is a big improvement over last year’s YTD net loss of $118,968.40. Union Market posted a net profit for the year of $20,427.59 which is $10,789.24 or 112% over last year’s net profit. Twelve Eighty and Underground both have net losses for the year, but these losses are lower than last year’s net losses. Business profitability is down with the businesses losing 26 cents on every $1.00 of sales.

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**Service Operations**

Compass ticket sales (HSR, GO, Cda. Coach & Greyhound) are up for the year from last year by $65,180.23 or 58%. This increase in ticket sales provides Compass with increased commissions helping them to maintain a modest net loss for the year. Their net loss for the year is $4,294.57 which is $5,256.36 or 55% lower than the last year’s net loss of $9,550.93.

Campus Events is showing a large net loss for the year in the amount $219,793.30 which is $156,993.46 or 250% higher than last year’s net loss. The reason for the increase is with the timing of events. Various acts/concerts have to be booked and paid for now while ticket sales for these acts will not be deposited until August and September.

**Zero Cost Centre - Child Care Centre**

The Child Care Centre is showing a net profit for the year in the amount of $13,228.35 which is $2,292.03 or 15% lower than last year’s net profit. The main reason for the decrease is a reduction in eligible government grants for student placements through the university.

**Committees & Services**

Overall expenses for Committees and Services are up from last by $25,463.61 or 13%. This is mainly due to the increase in part-time wages over the summer months. Macycle is doing much better having brought in $6,099.15 in sales which covers about 81% of the total parts purchased. Farmstand, however, is not doing as well as last year. They are showing a net loss of $8,025.33 which is $2,920.70 or 57% higher than last year’s net loss.

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| ***McMaster Student's Union*** | | | | |
| ***McMaster Students Union Inc.*** | | | | |
| ***For the Three Months Ending July 31, 2017*** | | | | |
|  |  |  |  | BUDGET |
|  | **2017-18** | 2016-17 | **2017-18** | Amount |
|  | **YTD** | YTD | **Budget** | Used % |
|  |  |  |  |  |
| All: |  |  |  |  |
| Dept. 0101 - Administration - All | 222,803.92 | (804,010.81) | (2,002,490.00) | (11.13%) |
| Business Units - All | 51,331.12 | 118,968.40 | (86,560.00) | (59.30%) |
| Zero Cost Centres - All | (13,228.35) | (15,520.38) | 53,920.00 | (24.53%) |
| Committees & Services - All | 225,808.21 | 200,344.60 | 1,246,952.00 | 18.11% |
| Service Operations - All | 247,442.78 | 93,490.39 | 787,600.00 | 31.42% |
| CFMU 93.3 Inc. - All | 81,934.88 | 71,014.97 | 15,610.00 | 524.89% |
| Marmor Fund - All |  | 124.11 | 104,072.00 | .00% |
| Student Health Plan Fund - All | 461,279.53 | 1,215.66 | (55,102.00) | (837.14%) |
| Student Dental Plan - All | 568,488.91 | 1,421.30 | (1,345.00) | (42,266.83%) |
| University Centre Building Fund |  |  | (15,000.00) | .00% |
| Total All | 1,845,861.00 | (332,951.76) | 47,657.00 | 3,873.22% |
|  |  |  |  |  |
|  |  |  |  |  |
| All By Fund: |  |  |  |  |
| TOTAL Operating Fund (incl. Marmor) | 734,157.68 | (406,603.69) | 103,494.00 |  |
| TOTAL CFMU Fund | 81,934.88 | 71,014.97 | 15,610.00 |  |
| TOTAL Student Health Plan Fund | 461,279.53 | 1,215.66 | (55,102.00) |  |
| TOTAL Dental Plan Fund | 568,488.91 | 1,421.30 | (1,345.00) |  |
| TOTAL Building Fund | 0.00 | 0.00 | (15,000.00) |  |
| Total All | 1,845,861.00 | (332,951.76) | 47,657.00 |  |

Note that amounts shown above in brackets ( ) are profits. Please let me know if you have any questions. I will be happy to discuss this with you any time.