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

**Combined Financial Statements**

**June 30, 2008**



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

**Financial Statements**

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**June 30, 2008**

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## **Auditors' Report**

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

We have audited the combined statement of financial position of Canadian Federation of Students and Canadian Federation of Students - Services as at June 30, 2008 and the combined statements of operations, changes in net assets and cash flows for the year then ended. These combined financial statements are the responsibility of the Federation's management and its directors. Our responsibility is to express an opinion on these combined financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we 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 combined financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Federation's management and its directors, as well as evaluating the overall combined financial statement presentation.

In our opinion, these combined financial statements present fairly, in all material respects, the financial position of the Federation as at June 30, 2008 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles, except that they are prepared on a non-consolidated basis as explained in note 2 to the financial statements.



**Ottawa**  
**January 13, 2009**

**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**

<b>For the year ended June 30,</b>	<b>2008</b>	<b>2007</b>
<b>Revenue</b>		
Membership fees	\$ 3,652,783	\$ 3,810,860
Student Work Abroad Program, net (schedule 1)	264,791	126,982
Referral fee from Canadian Universities Travel Service Limited (note 7)	252,738	294,419
National Student Health Network Program, net (schedule 2)	173,393	112,641
Investment	112,772	99,409
Rental	65,484	-
Other	5,072	7,276
The Student Traveller, net	-	24,778
	<b>4,527,033</b>	<b>4,476,365</b>
<b>Expenses</b>		
Caucus and component allocation (note 7)	697,865	724,161
Campaigns	400,366	376,824
Professional fees	239,686	248,878
National general meetings	236,447	146,835
Office rent and building	211,530	154,330
Administration and office	190,303	118,963
Communications	163,940	124,910
National executive salaries	138,942	146,094
Discount program (schedule 3)	118,133	35,072
Membership drives - referenda	81,655	12,364
Amortization	62,552	47,341
Research	61,320	88,012
National executive meetings	43,294	45,440
Constituency allocations - aboriginal	40,918	24,850
Membership development and outreach	31,866	10,509
Constituency allocations - general	30,358	30,198
Students' Union Directory	25,449	21,974
Bad debts	18,264	50,775
Translation	15,879	14,943
Miscellaneous	15,095	12,276
Coalition work	9,549	13,294
Interest and bank charges	1,075	940
	<b>2,834,485</b>	<b>2,448,984</b>
<b>Excess of revenue over expenses before other item</b>	<b>1,692,548</b>	<b>2,027,381</b>
<b>Other expense</b>		
Loss of Canadian Universities Travel Service Limited (note 5)	3,276,634	770,778
<b>Excess of revenue over expenses (expenses over revenue)</b>	<b>\$ (1,584,086)</b>	<b>\$ 1,256,603</b>



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

**Combined Statement of Changes in Net Assets**

**For the year ended June 30,**

	Investment in Canadian Universities Travel Service Limited	Invested in Capital Assets	Designated Funds (note 8)	Non- designated Funds	Total 2008	Total 2007
<b>Balance, beginning of year</b>	\$ 8,113,480	\$ 158,645	\$ 1,801,651	\$ 4,367,973	\$ 14,441,749	\$ 13,185,146
Excess of revenue over expenses (expenses over revenue)	-	-	-	(1,584,086)	(1,584,086)	1,256,603
Amortization of capital assets	-	(82,229)	-	82,229	-	-
Acquisition of capital assets	-	1,597,738	(1,493,623)	(104,115)	-	-
Loss of Canadian Universities Travel Service Limited	(3,276,634)	-	-	3,276,634	-	-
Purchase of preferred shares in Canadian Universities Travel Service Limited	214,827	-	-	(214,827)	-	-
Net transfers to designated funds	-	-	250,000	(250,000)	-	-
<b>Balance, end of year</b>	\$ 5,051,673	\$ 1,674,154	\$ 558,028	\$ 5,573,808	\$ 12,857,663	\$ 14,441,749

See accompanying notes to the combined financial statements



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

**Combined Statement of Financial Position**

June 30, 2008 2007

**Assets**

**Current**

Cash	\$ 1,368,370	\$ 853,214
Due from member campuses	1,690,640	1,802,867
Short-term investments (note 3)	2,102,945	3,098,541
Inventories	362,859	556,921
Prepaid expenses and deposits	993,381	295,829
Due from Canadian Universities Travel Service Limited (note 4)	1,006,167	563,542

**Total current assets** 7,524,362 7,170,914

**Investment in Canadian Universities Travel Service Limited (note 5)** 5,051,673 8,113,480

**Capital assets (note 6)** 1,674,154 158,645

**\$ 14,250,189** \$ 15,443,039

**Liabilities**

**Current**

Accounts payable and accrued liabilities	\$ 1,040,898	\$ 833,291
Program deposits	301,781	167,667
Unearned revenue	49,847	332

**Total current liabilities** 1,392,526 1,001,290

**Net Assets**

**Investment in Canadian Universities Travel Service Limited** 5,051,673 8,113,480

**Invested in capital assets** 1,674,154 158,645

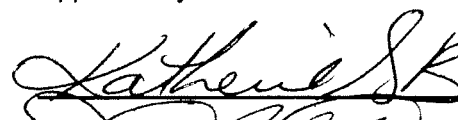
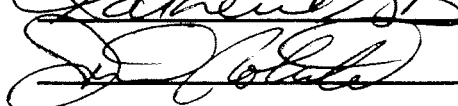
**Designated funds (note 8)** 558,028 1,801,651

**Non-designated funds** 5,573,808 4,367,973

**Total net assets** 12,857,663 14,441,749

**\$ 14,250,189** \$ 15,443,039

Approved by the Board:

 Chairperson  
 Treasurer



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

**Combined Statement of Cash Flows**

<b>For the year ended June 30,</b>	<b>2008</b>	<b>2007</b>
<b>Operating activities</b>		
Excess of revenue over expenses (expenses over revenue)	\$ (1,584,086)	\$ 1,256,603
Items not affecting cash		
Amortization	82,229	47,341
Loss of Canadian Universities Travel Service Limited	3,276,634	770,778
Loss (gain) on disposal of short-term investments	(49,077)	11,454
	<b>1,725,700</b>	<b>2,086,176</b>
Change in non-cash working capital items		
Due from member campuses	112,227	(291,259)
Inventories	194,062	(141,521)
Prepaid expenses and deposits	(697,552)	(72,805)
Accounts payable and accrued liabilities	207,607	(213,119)
Program deposits	134,114	25,195
Unearned revenue	49,515	-
	<b>1,725,673</b>	<b>1,392,667</b>
<b>Investing activities</b>		
Purchase of capital assets	(1,597,738)	(102,458)
Advances to Canadian Universities Travel Service Limited	(442,625)	(618,792)
Purchase of preferred shares in Canadian Universities Travel Service Limited	(214,827)	(250,256)
Purchase of short-term investments	(2,759,378)	(1,924,435)
Proceeds on disposal of short-term investments	3,804,051	1,309,133
	<b>(1,210,517)</b>	<b>(1,586,808)</b>
<b>Increase (decrease) in cash</b>	<b>515,156</b>	<b>(194,141)</b>
<b>Cash, beginning of year</b>	<b>853,214</b>	<b>1,047,355</b>
<b>Cash, end of year</b>	<b>\$ 1,368,370</b>	<b>\$ 853,214</b>



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

**Notes to the Combined Financial Statements**

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**Comprehensive Operations**

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**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 January 13, 2009, 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.

**2. Significant accounting policies**

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

**(a) Non-consolidation**

These combined financial statements are in accordance with Canadian generally accepted accounting principles except they are prepared on a non-consolidated basis. The members of the Federation have access to all pertinent information concerning the results and operations of the subsidiary and have unanimously consented to the preparation of non-consolidated financial statements.

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

**Notes to the Combined Financial Statements**

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**Comprehensive Operations**

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**2. Significant accounting policies (continued)**

**(b) 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.

Referral fee revenue charged to Canadian Universities Travel Service Limited (CUTS) is recorded based on an agreed percentage of CUTS' 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 non-consolidated statement of financial position.

National Student Health Network revenue is received annually from the plan brokerage and recognized when received.

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.

**(c) Contributed services**

Volunteers contributed 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) Short-term investments**

Investments classified as current assets are carried at the lower of cost and market value. Other investments are carried at cost less a write-down, if necessary, for any impairment in value which is other than temporary.

**(e) Inventories**

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

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

**Notes to the Combined Financial Statements**

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**Comprehensive Operations**

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**2. Significant accounting policies (continued)**

**(f) Investments**

The Federation accounts for investments in companies over which it has significant influence using the equity method.

**(g) Capital assets**

Capital assets are recorded at cost and are being amortized over their estimated useful lives on the following basis, commencing in the year of addition up to and excluding the year of disposal, at the following rates:

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

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

**Notes to the Combined Financial Statements**

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**Comprehensive Operations**

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**2. Significant accounting policies (continued)**

**(h) Financial instruments**

Effective July 1, 2007, the Federation adopted the new CICA accounting standards on "Financial Instruments - Recognition and Measurement" (CICA Handbook Section 3855).

Investments in short-term securities, bonds, and equities are classified as either held-for-trading or available-for-sale based on management's intention.

Available-for-sale assets include securities that may be sold in response to or in anticipation of changes in interest rates, changes in foreign currency risk, changes in funding sources, or to meet liquidity needs. Available-for-sale securities are carried at estimated fair value. Realized gains and losses are recognized as investment income in the year in which they occur. Unrealized gains and losses on available-for-sale securities are recognized in the statement of changes in fund balance.

Held-for-trading assets which are purchased for sale in the near term, are reported at estimated fair value. Realized and unrealized gains and losses are recognized as investment income as they arise.

Held-to-maturity assets, which include assets with fixed or determinable payments and fixed maturity that the Federation has the positive intention and ability to hold to maturity, are reported at amortized cost using the effective interest method. Gains and losses are recognized as investment income when the asset is derecognized.

The following policies and assumptions were used to determine the fair value of each class of financial assets and financial liabilities:

Bank, accounts and interest receivable, accounts payable and accrued liabilities:

The carrying amount of each item in this class is comparable to its fair value due to the approaching maturity of these financial instruments.

Investments:

Investments are classified as held-for-trading financial assets. They are measured at fair value, determined on the basis of market value.

**(i) 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 and disclosure of contingent assets and liabilities at the statement of financial position date and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

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

**Notes to the Combined Financial Statements**

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**Comprehensive Operations**

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**3. Short-term investments**

	<b>2008</b>	<b>2007</b>
Guaranteed Investment Certificates	<b>\$ 2,102,945</b>	\$ 1,163,486
Bonds:		
Government of Canada	-	587,881
Provincial	-	24,367
Mutual Funds (market value \$1,322,807)	-	1,322,807
	<b>\$ 2,102,945</b>	<b>\$ 3,098,541</b>

Market values of the Guaranteed Investment Certificates and bonds are approximately equal to cost plus accrued interest.

The market value of the mutual funds are based on the market values of the underlying securities held by the funds.

**4. Due from Canadian Universities Travel Service Limited**

The balance due from Canadian Universities Travel Service Limited is non-interest bearing and is due on demand

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

**Notes to the Combined Financial Statements**

**Comprehensive Operations**

**5. Investment in Canadian Universities Travel Service Limited**

These financial statements exclude the consolidated financial statements of Canadian Universities Travel Service Limited (CUTS). CUTS was incorporated on February 6, 1974 and is licensed by the International Air Transport Association as a travel agency and operates branches across Canada. Operations are also governed by the various financial travel industry acts. Separate audited consolidated financial statements are prepared for CUTS and are available upon request. Accordingly the investment in CUTS is accounted for using the equity method as follows.

	2008	2007
Investment in shares, at cost beginning of the year	\$ 6,970,665	\$ 6,720,409
Purchase of preferred shares	214,827	250,256
	<b>7,185,492</b>	<b>6,970,665</b>
Retained earnings of CUTS, beginning of year	1,503,704	2,517,885
Income (loss) of CUTS	(4,311,361)	(1,014,181)
	<b>(2,807,657)</b>	<b>1,503,704</b>
Minority shareholder portion	673,838	(360,889)
	<b>(2,133,819)</b>	<b>1,142,815</b>
	<b>\$ 5,051,673</b>	<b>\$ 8,113,480</b>

Financial summaries of this consolidated entity as at June 30, 2008 and 2007 and for the years then ended are as follows (certain of the comparative figures have been reclassified to conform to the current year's financial statement presentation):

	2008	2007
<b>Financial position</b>		
Total assets	\$ 13,268,607	\$ 19,252,387
Total liabilities	6,627,776	8,605,545
Shareholders' equity	6,646,937	10,675,631
Cumulative translation adjustment	(6,106)	(28,789)
<b>Results of operations</b>		
Total revenues	19,508,597	25,498,838
Total expenses	23,819,958	26,513,019
Net income (loss)	(4,311,361)	(1,014,181)
<b>Cashflows</b>		
Cash used in operations	(3,194,664)	(1,936,422)
Cash from (used in) investing activities	(724,887)	3,729,322
Increase (decrease) in cash	(3,919,551)	1,792,900

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

**Notes to the Combined Financial Statements**

**Comprehensive Operations**

**5. Investment in Canadian Universities Travel Service Limited (continued)**

Ongoing operations

The financial statements of CUTS disclose that the financial statements have been prepared on a going concern basis as management has taken steps to improve operations and profitability.

**6. Capital assets**

	<b>2008</b>		
	Cost	Accumulated amortization	Net book value
Land	\$ 875,276	\$ -	\$ 875,276
Buildings	723,634	73,367	650,267
Furniture and equipment	613,723	526,759	86,964
Leasehold improvements	30,101	9,472	20,629
Computer equipment	53,665	41,115	12,550
Computer software	72,763	44,295	28,468
	<b>\$ 2,369,162</b>	<b>\$ 695,008</b>	<b>\$ 1,674,154</b>
	<b>2007</b>		
	Cost	Accumulated amortization	Net book value
Land	\$ 16,898	\$ -	\$ 16,898
Buildings	88,390	55,859	32,531
Furniture and equipment	556,192	490,167	66,025
Leasehold improvements	7,180	7,180	-
Computer equipment	52,234	36,899	15,335
Computer software	50,530	22,674	27,856
	<b>\$ 771,424</b>	<b>\$ 612,779</b>	<b>\$ 158,645</b>

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

**Notes to the Combined Financial Statements**

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**Comprehensive Operations**

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**7. Related party transactions**

The Federation has charged CUTS a referral fee of \$252,738 (2007 - \$294,419) for the student travel business that CUTS derives as a result of its relationship with the Federation. The fee is computed as a percentage of the gross domestic student travel sales reported by CUTS. In addition, the Federation has charged CUTS \$nil (2007 - \$49,725) for advertising services it has provided and the amount has been included in The Student Traveller, net. The rate charged by the Federation is approximately 50% of the rate charged to arm's length parties. The Student Traveller is no longer being published.

The Federation serves as the Canadian agent for the International Student Identity Card (ISIC). The Federation paid \$210,030 (2007 - \$318,701) to CUTS as a commission for issuing the cards.

The Federation runs the Student Work Abroad Program (SWAP). The Federation paid \$250,585 (2007 - \$220,687) to CUTS as a commtssion for running the program.

Affiliated provincial organizations in British Columbia, Ontario and Quebec 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 or expensed until the respective membership fee is received. During the year, the Federation paid \$312,771 (2007 - \$333,764) to the Ontario component, \$157,381 (2007 - \$123,174) to the British Columbia component and \$32,068 (2007 - \$23,247) to the Quebec component. These amounts are included in the statements of revenue and expense.

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

**Notes to the Combined Financial Statements**

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**Comprehensive Operations**

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**8. Designated Funds**

**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.

**Bilingualism Fund:**

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

**Constitutional Challenge Fund:**

In 1987, the Federation established a fund to be used for constitutional challenge. This fund was closed during the year and the fund balance transferred to the Kevin Coleman Students Rights Defence Fund.

**Capital Fund:**

In 2000, the Federation established a fund to provide for the potential purchase of office space. During 2008, the Federation purchased land and building for this purpose.

**Federal Election Campaign Fund:**

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

**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.

**Kevin Coleman Students Rights Defence Fund:**

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

**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.

During the year, the Board of Directors internally restricted resources amounting to \$250,000 (2007 - \$225,000) to some of the above funds.

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

**Notes to the Combined Financial Statements**

**Comprehensive Operations**

**8. Designated Funds (continued)**

	Opening balance	Transfer from Non- Designated Funds	Disbursements	Ending balance
Legal Defense Fund	\$ 109,096	\$ -	\$ -	\$ 109,096
Bilingualism Fund	19,670	-	-	19,670
Constitutional Challenge Fund	15,000	(15,000)	-	-
Capital Fund	1,375,000	225,000	(1,493,623)	106,377
Federal Election Campaign Fund	100,000	-	-	100,000
National General Meeting Students with Disabilities Access Fund	60,000	5,000	-	65,000
Kevin Coleman Student Rights Defence Fund	27,885	15,000	-	42,885
Membership Drives and Referenda Fund	95,000	20,000	-	115,000
	\$ 1,801,651	\$ 250,000	\$ (1,493,623)	\$ 558,028

**9. Recent accounting pronouncements**

The Accounting Standards Board (AcSB) has approved new accounting recommendations which have not yet come into effect. The following is a summary of the new recommendations:

**Financial instruments**

In December 2006, the AcSB issued Section 3862, "Financial Instruments - Disclosure", and Section 3863, "Financial Instruments - Presentation". Section 3862 requires enhanced disclosure on the nature and extent of financial instrument risks and how an entity manages these risks. Section 3863 carried forward existing presentation requirements and provides additional guidance for the classification of financial instruments. These sections are effective for fiscal periods beginning on or after October 1, 2007. These new requirements are for disclosure only and will not impact the financial results of the Federation.

**Inventory**

The AcSB issued new Section 3031 in June 2007 with an effective date of January 1, 2008. This section introduces new standards for accounting for inventory. This new standard is broadly converged with the comparable international standard, IAS 2. The standard requires financial statement preparers to value inventory at the lower of cost and net realizable value and provides guidance on the determination of cost. The standard also deals with accounting for impairment of inventory and introduces the concept of reversing previously recognized impairment losses. Management is currently considering whether this new standard will have any effect on the Federation's financial statements.

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

**Notes to the Combined Financial Statements**

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**Comprehensive Operations**

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**9. Recent accounting pronouncements (continued)**

Going concern

For fiscal years beginning on or after January 1, 2008 the AcSB issued recommendations for assessing and disclosing an entity's ability to continue as a going concern. Section 1400 was amended in June 2007 requiring management to assess their ability to continue as a going concern and to disclose the results of this assessment. These new requirements are for disclosure only and will not impact the financial results of the Federation.

Capital disclosures

The AcSB have issued Section 1535 with an effective date for periods commencing on or after October 1, 2007. This standard will require the Federation to make disclosures regarding:

- the Federation's objectives, policies and processes for managing capital;
- quantitative data about what the Federation regards as capital;
- whether the Federation had complied with any capital requirements; and
- if it has not complied, the consequences of such non-compliance.

This new requirement is for disclosure only and will not impact the financial results of the Federation.

**10. 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.

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

**Notes to the Combined Financial Statements**

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**Comprehensive Operations**

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**11. 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, due from member campuses, short-term investments, accounts payable and accrued liabilities, unearned revenue and program deposits approximate their fair values due to the relatively short-term maturity of these instruments.

The estimated fair value of the amounts due from Canadian Universities Travel Services Limited has not been determined due to the relationship between the related parties.

The estimated fair value of the investment in Canadian Universities Travel Services Limited is not determinable as it is a privately owned company and there is no comparable fair value for the outstanding shares.

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

**Schedules to the Combined Financial Statements**

**For the year ended June 30,**

**Combined schedule of Student Work Abroad Program** **Schedule 1**

	2008	2007
<b>Revenue</b>		
Program fees	\$ 2,505,848	\$ 2,206,871
Advertising	31,020	30,465
Other	-	2,136
	<b>2,536,868</b>	<b>2,239,472</b>
<b>Direct costs</b>	<b>1,147,641</b>	<b>990,793</b>
	<b>1,389,227</b>	<b>1,248,679</b>
<b>Expenses</b>		
Wages and benefits	430,423	407,458
Commission (note 7)	250,585	220,687
Advertising and promotion	166,049	191,750
Rent	105,756	100,281
Communications	73,183	102,930
Office and administration	50,976	50,941
Amortization	19,677	13,866
Travel	11,454	18,798
Professional fees	5,535	3,728
Bank charges	3,148	2,608
Conferences	3,041	2,770
Miscellaneous	2,910	(10)
Equipment rental	1,399	4,827
Taxes and licenses	300	1,063
	<b>1,124,436</b>	<b>1,121,697</b>
<b>Net income</b>	<b>\$ 264,791</b>	<b>\$ 126,982</b>

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

**Schedules to the Combined Financial Statements**

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**For the year ended June 30,**

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**Combined schedule of National Student Health Network Program** **Schedule 2**

**Revenue**

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Administrative fees	<b>\$ 409,609</b>	<b>\$ 458,542</b>
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**Expenses**

Wages and benefits	<b>200,073</b>	191,807
Copying and printing	<b>49,155</b>	46,266
Rent	<b>15,000</b>	21,000
Support	<b>5,557</b>	13,517
National general and executive meetings	<b>3,850</b>	2,450
Bank charges	<b>3,809</b>	2,538
Communications	<b>2,581</b>	720
Office and administration	<b>1,309</b>	2,895
Legal	-	19,473
Software and equipment	-	117
Bad debts (recovery)	<b>(45,118)</b>	45,118

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	<b>236,216</b>	345,901
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<b>Net income</b>	<b>\$ 173,393</b>	<b>\$ 112,641</b>
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**Canadian Federation of Students  
and Canadian Federation of Students - Services**

**Schedules to the Combined Financial Statements**

**For the year ended June 30,**

**Combined schedule of Discount program**

**Schedule 3**

	<b>2008</b>	<b>2007</b>
<b>Revenue</b>		
Card sales	\$ 659,745	\$ 1,003,183
Other	16,770	77,007
	<b>676,515</b>	<b>1,080,190</b>
<b>Direct costs</b>		
	<b>194,062</b>	<b>280,884</b>
	<b>482,453</b>	<b>799,306</b>
<b>Expenses</b>		
Commission (note 7)	210,030	318,701
Copying and printing	178,404	207,287
Wages and benefits	115,555	112,411
Advertising and promotion	45,263	120,943
Office and administration	15,536	31,684
Communications	10,589	11,672
Professional fees	7,313	1,213
Rent	6,000	5,004
Equipment rental	3,600	3,600
Software and equipment	2,940	6,493
Miscellaneous	2,386	1,323
Conferences	1,657	-
Travel	647	324
Bank charges	526	550
Bad debts	140	-
Studentphone commission	-	13,173
	<b>600,586</b>	<b>834,378</b>
<b>Net loss</b>	<b>\$ (118,133)</b>	<b>\$ (35,072)</b>