

McMASTER UNIVERSITY RETIREES ASSOCIATION

FINANCIAL STATEMENTS

FOR THE YEAR ENDED APRIL 30, 2006

To the Board and Members of  
McMaster University Retirees Association:

I have audited the Balance Sheet of McMaster University Retirees Association for the year ended April 30, 2006 and the Statement of Income and Expenses for the year then ended and have examined supporting documentation as I have deemed necessary. The comparative figures for 2005 were audited by another auditor.

Membership dues and donations are voluntary and my audit has been restricted to tracing the amounts recorded in the statements to amounts deposited into the credit union operating account.

In my opinion, these financial statements present fairly the financial position of the McMaster University Retirees Association as at April 30, 2006 and the income and expenses for the year then ended on the basis of the accounting for fixed assets, memberships and donations, and grants as described in the notes to the financial statements.

"Robert A. West"

May 14, 2006

**McMaster University Retirees' Association**  
**Balance Sheet As At April 30, 2006**

	<u>2006</u>	<u>2005</u>
<b>Assets:</b>		
Petty cash	\$ 30.00	\$ 30.00
Credit Union operating account	2,548.13	838.10
Credit Union membership account	56.34	58.20
ING Direct savings account	<u>30,924.32</u>	<u>28,829.11</u>
	33,558.79	29,755.41
<b>Liabilities:</b>		
Accounts payable	91.63	0.00
Due to McMaster University	1,529.14	1,127.91
Memberships received in advance (Note 2)	<u>3,165.00</u>	<u>2,370.00</u>
	4,785.77	3,497.91
<b>Members' Equity</b>		
Unrestricted	23,780.36	21,264.84
Held for fixed asset additions and replacements (Note 3)	<u>4,992.66</u>	<u>4,992.66</u>
	28,773.02	26,257.50
<b>Total Liabilities and Members' Equity</b>	<u>\$ 33,558.79</u>	<u>\$ 29,755.41</u>

See accompanying Notes to Financial Statements

**McMaster University Retirees' Association**  
**Statement of Income and Expenses**  
**For The Year Ended April 30, 2006**

	<u>2006</u>	<u>2005</u>
<b>Income:</b>		
Grants from: (Note 4)		
McMaster University Staff Association	\$ 4,988.00	\$ 0.00
McMaster University Faculty Association	4,676.00	0.00
McMaster University	1,086.00	0.00
Member dues and donations (Note 2)	1,170.00	10,270.00
Interest	699.41	588.14
Other	0.00	2.51
	<u>12,619.41</u>	<u>10,860.65</u>
<b>Expenses:</b>		
Communications:		
Printing	1,527.06	1,358.61
Postage	3,104.09	2,608.02
Labels and envelopes	309.85	309.28
CURAC:		
Membership	300.00	300.00
Sponsorship	900.00	0.00
Annual meeting	1,054.33	597.43
Scholarship fund	1,250.00	1,250.00
Annual meeting	1,001.38	833.78
Christmas lunch	288.74	254.40
Office and administrative expenses	196.64	110.30
Cards and visits	155.89	130.27
Miscellaneous	15.91	32.22
	<u>10,103.89</u>	<u>7,784.31</u>
<b>Excess of income over expenses</b>	<b>2,515.52</b>	<b>3,076.34</b>
<b>Unrestricted Members' Equity:</b>		
Beginning of year	<u>21,264.84</u>	<u>18,188.50</u>
End of Year	\$ <u><u>23,780.36</u></u>	\$ <u><u>21,264.84</u></u>

See accompanying Notes to Financial Statements

**McMaster University Retirees' Association**  
**Notes to Financial Statements**  
**For The Year Ended April 30, 2006**

**1 Basis of Presentation**

These financial statements present the assets, liabilities, members' equity, income and expenses of the McMaster University Retirees' Association. Fixed assets, comprised of office equipment and furniture, were acquired through funds provided by the McMaster University Futures Fund and are not reflected in these financial statements. The financial statements do not record the value of office space provided by McMaster University.

The activities of the Special Events Program are accounted for independently and separate financial statements are prepared for that Program.

**2 Memberships and Donations**

Prior to 2006, income of MURA was primarily from voluntary memberships and dues. Dues received up to April 30 of each year for that and previous calendar years was reflected as income while dues received for future calendar years was deferred and held as memberships received in advance on the balance sheet.

Beginning in 2006, grants are being received from McMaster University and the Staff and Faculty Associations in lieu of membership dues. (See Note 4) For the 2005-2006 fiscal year, dues received to April 30, 2006 for 2005 and previous calendar years have been reflected as income. Dues received for 2006 and future years are refundable to members on request up to May 31, 2006 and have been shown as memberships received in advance on the balance sheet.

**3 Funds Held For Fixed Assets**

This represents the balance of funds allocated to MURA by the McMaster University Futures Fund and are held for additions to and replacement of fixed assets. In prior years, this amount was shown as "Final MUFF allocation" under Liabilities and Reserves.

**4 Grants**

MURA has entered into an agreement for the period January 1, 2006 to December 31, 2008 with McMaster University, McMaster University Staff Association and McMaster University Faculty Association to receive annual grants of \$10,750 to be received from the donors in relation to the proportion of MURA members originating with the related staff association with McMaster University providing the funding for The Management Group.

Grants received for the 2006 calendar year have been recorded as income in the 2005-2006 fiscal year statements.