

**THE FULCRUM PUBLISHING SOCIETY**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED APRIL 30, 2007**

**Auditors' Report**  
**Statement of Financial Position**  
**Statement of Operations**  
**Statement of Changes in Net Assets**  
**Statement of Cash Flows**  
**Notes to Financial Statements**

**CONNELLY & KOSHY**  
*Professional Corporation*  
CHARTERED ACCOUNTANTS

To:  
The Board of Directors of  
The Fulcrum Publishing Society

**AUDITORS' REPORT**

We have audited the statement of financial position of The Fulcrum Publishing Society as at April 30, 2007, and the statements of operations, cash flows and changes in net assets for the year then ended. These financial statements are the responsibility of the organization's management. 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 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 financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the organization as at April 30, 2007 and the results of its operations and the cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

*Connelly & Koshy P.C.*  
Chartered Accountants,  
Licensed Public Accountants

Ottawa, Ontario  
August 13, 2007

**THE FULCRUM PUBLISHING SOCIETY**  
**(A Not-For-Profit Corporation)**  
**(Incorporated under the Laws of Ontario)**

**STATEMENT OF FINANCIAL POSITION**

**AS AT APRIL 30, 2007**

	2007	2006
	\$	\$
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	29,750	0
Accounts receivable	70,132	70,611
Prepaid expenses	<u>4,701</u>	<u>0</u>
	<b><u>104,583</u></b>	<b><u>70,611</u></b>
 <b>CAPITAL ASSETS (Note 1d)</b>		
Furniture and equipment - at cost	29,213	28,273
Less accumulated amortization	<u>(8,010)</u>	<u>(2,827)</u>
	<b><u>21,203</u></b>	<b><u>25,446</u></b>
 <b>GOODWILL (Note 2)</b>		
	<u>1</u>	<u>1</u>
<b>TOTAL ASSETS</b>	<b><u>125,787</u></b>	<b><u>96,058</u></b>

**LIABILITIES AND NET ASSETS**

<b>CURRENT LIABILITIES</b>		
Bank overdraft	0	7,805
Accounts payable and accrued liabilities	6,724	11,008
Advertising credit (Note 3)	8,219	23,142
Current portion of loans payable (Note 5)	<u>14,331</u>	<u>13,500</u>
	<b><u>29,274</u></b>	<b><u>55,455</u></b>
 <b>LONG-TERM</b>		
Loans payable (Note 5)	<u>887</u>	<u>15,218</u>
 <b>NET ASSETS</b>		
Invested in capital assets	21,203	25,446
Unrestricted	<u>74,423</u>	<u>(61)</u>
	<b><u>95,626</u></b>	<b><u>25,385</u></b>
 <b>TOTAL LIABILITIES AND NET ASSETS</b>	 <b><u>125,787</u></b>	 <b><u>96,058</u></b>

**APPROVED ON BEHALF OF THE BOARD:**

Director \_\_\_\_\_

Director \_\_\_\_\_

(See attached Auditors' Report)  
(See accompanying Notes to the Financial Statements)

THE FULCRUM PUBLISHING SOCIETY

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED APRIL 30, 2007

	365 Days 2007 \$	344 Days 2006 \$
<b>REVENUE</b>		
Fundraising	9,954	4,750
Local advertising	104,204	100,929
National advertising	70,422	64,723
Student levy - GSAED	4,042	3,616
Student levy - SFUO	151,557	142,552
Miscellaneous revenue	<u>2,599</u>	<u>1,591</u>
	<u>342,778</u>	<u>318,161</u>
<b>EXPENSES</b>		
Amortization	5,183	2,827
Bad debts	6,859	5,903
Bank charges and interest	172	1,573
Conference expense	12,865	7,460
Interest on long-term debt	1,426	487
Office supplies and expenses	1,975	5,354
Parking	1,272	1,212
Printing	77,530	76,743
Professional fees	4,196	19,683
Repairs and maintenance	310	537
Salaries and wages	146,933	157,337
Subscription	5,833	3,599
Telephone and internet	6,983	7,049
Travel	411	1,450
Website expense	<u>589</u>	<u>1,562</u>
	<u>272,537</u>	<u>292,776</u>
<b>EXCESS OF REVENUES OVER EXPENSES</b>	<u>70,241</u>	<u>25,385</u>

(See attached Auditors' Report)  
(See accompanying Notes to the Financial Statements)