



Fulcrum Publishing Society

Board of Directors Meeting MINUTES

February 10, 2013

141 Louis Pasteur, 10:30 am

Voting members present: Jonathan Rausseo, Ben Myers (Chair), Mercedes Mueller (President), Michael Robinson (VPIC)

Ex-officio members present: Andrew Hawley (GM), Deidre Butters (Ad Rep), Kristyn Filip (EIC), Kyle Hansford (Production Manager)

Members absent: Jessica Willms (Vice President), Sean Campbell

1. Opening of the meeting at 10:49 a.m.
2. Approval of the agenda
 - a. Agenda approved.
3. Approval of the minutes
 - a. Motion by Mike, seconded by Sean.
 - b. Minutes approved.
4. President's report
 - a. We need to plan the AGM, proposed date March 22, 2013 as next BOD meeting on the 17th.
 - i. Exec members need to prepare reports.
 - ii. Elections for next year will be taking place.
 - iii. Policy review, bylaw manual, etc. to occur at end of meeting.
 - b. HR Update: Ikeman resigned.
 - i. The current Ed Board should set up a new Ombudsperson so the precedent is set for next year.
 - c. Matt wants to join the board again. Woot.
 - d. We need to get the audit done.
 - e. Business department to be reviewed again.
 - f. Ed Board salary review will be done next week.
 - i. Proposed changes to be brought forward by Ed Board.
 - ii. Ben: Ed board salary review is a good time to eliminate positions. Associated news editor (if the position is no longer necessary). If there is a different way to split up the money more efficiently do it.

- iii. Kyle: what do we use as a guideline? Andrew: Bank of Canada website: CPI: consumer price index.

5. General manager's report

- a. Everything has been going normally.
- b. Financials: awaiting SFUO and GSAED levies. Campus + (still awaiting for 2013 funds).
- c. Credit Draft Capture Service: TD currently offers this. Clients pay us via credit card – TD charges us for this service (small percentage of monthly sales through Visa and MC). We budget around 1000 a year for these charges. Recently surpassed this however for this year due to increased sales.
 - i. Clients want to pay by credit card. WMS is offering same service, more affordable rate. TD w/ 1,232.06 but w/ WMS it is 803.16 or when we don't have savings, 723.16.
 - ii. Jon: How long have they been in business? Client list? Will charges increase?
 - 1. Andrew: will follow up.
 - iii. Matt: go to TD to compare counter-offer.
 - iv. Andrew: no other incentives given other than saved money.
 - v. Andrew: really aggressive salesperson.
- d. Credit Card: it has been nice to have it and use it.
- e. Collections: outstanding, reviewed.
- f. HR: Ikeman out. No transition, no payment. All T4s have been prepared. Tomorrow, EIC will hire Feibel as news editor. Will remain Arts and Culture editor.
- g. Distribution: Impact of stands purchased in December has been positive.
 - i. Letter: to other publications using Fulcrum stands telling them to stop.
- h. Software: DeeDee's computer wired.
- i. Equipment/Supplies: purchase invoices as they were running out.
- j. Printing Company: everything smooth.
- k. Audit: scheduling has been a struggle.
- l. Meet and Greet: Have to get some speakers, Kristyn: mentors from the citizen.

- m. Jon: are we hooked up with the University deals w/ Grand and Toy etc.
Andrew: No. Jon: look into it.
- n. Jon: Why meet and greet at the end of the year? Andrew: March is better for fundraising, spaced out enough for more donated items and it is early in the fiscal year.
 - i. Jon: could also augment it to include volunteer appreciation.
- o. Ben: Editor hiring related; it seems ad hoc what do you intend to hire?
 - i. Kristyn: Adam is able to do both. He is more than capable. Better chance of arts and culture volunteers to fill position = initial plan. Adam wants to do both however. Kristyn nervous that what happens when it gets the point of being too much. We are playing it by year right now. We are looking for a contemporary news editor because of the small amount of editors enough.
 - ii. Board: that's a vulnerable position. All eggs in one basket.
 - iii. Kyle and Kristyn: We intend to hire news. Can we offer him compensation during the period that's worked on two sections in the interim.
 - 1. Mercedes: Wait until you fill it. Advertise news editor position in the upcoming issue.
 - 2. Matt: what happens if no one applies?
 - a. Ben: What if a meteorite falls on the Fulcrum?

6. Editor-in-chief's report

- a. Andrew Ikeman quit.
- b. We've been meeting with volunteers because we are looking at applicants for next year.
 - i. Some volunteers have job shadowed.
- c. Getting ready for the sex supplement.

7. Advertising representative's report

- a. We hit target.
- b. Sex supplement is \$9000.
- c. Currently contacting student associations.
- d. Hit the career fair and got new contacts.
- e. Training: followed up w/ trainingottawa.com and David Berman possible teacher.
- f. Employee Benefits: to enable successful business staff to stay long-term.

i. Ben: HR committee made.

1. Holistic approach discussion regarding this conversation.

- g. Campus Plus is going to work with Rouge Media – talking to them regarding what they can and can't include on the websites. Welcome to purchase space on the side bar on the Fulcrum website. We are mostly full on the website until the end of the year on the leaderboard. We don't have to contact them anymore.

8. New BOD Member

- a. Applying for disinterested student. Seat is open.
- b. No COIs. He is a student senator. That's it.
- c. Priorities: Finance committee. Help out with the books. Help the Fulcrum in any way he can.
- d. He misses us.
- e. Mercedes moves that Matt Conley be approved for the seat of disinterested student for the remainder of the 2012/13 publishing year. Jon seconds.
- f. Everyone approves Matt 'the seconder' Conley.

9. AGM

- a. Mercedes wants everyone to approve that March 22, 2013 is a good for everyone. It doesn't work for Ben.

10. NASH Debrief

- a. Reviewed sessions in report.

11. Other business

- a. Contact J. Willms re: Cup's COI
 - i. Due date: review COI policy for March 1st

Adjournment

- b. Jon motions, seconded by Matt.
- c. Meeting ends at 2pm.

Name & Title: Mercedes Mueller, President
Signature & Date: [Signature], April 30, 2013
Name & Title: Andrew Hawley, General Manager
Signature & Date: [Signature], April 30, 2013



PRESIDENT'S REPORT: NUMBER EIGHT

FEBRUARY 10, 2013

PLANNING THE ANNUAL GENERAL MEETING

The AGM is the last major thing for us to get through this year—knock on wood. I think we should hold it on **Friday, March 22**, which will still give us time to review our policies and propose any amendments for the meeting. Given our March BOD meeting is on the 17th, this date seems best. Some other things to think about...

- We need a chair, if anyone has any suggestions
- Exec members of the board need to prepare reports for this meeting
- This is the meeting where elections for next year's board will take place

POLICY REVIEW

The Policy Review Committee will be reviewing the policy documents of the FPS over the next few weeks and recommending any changes to be made for the AGM. If any directors who are not on the committee and would like to help out with this, let me know. Also, if any directors have any suggestions for areas of policy to be reviewed, let me know. We will be reviewing all of the PRC's recommended changes at the next BOD meeting.

HR UPDATE: NEWS EDITOR RESIGNS, OMBUDSMAN REPORT

Speaking of policy nightmares: After the BOD ruling on Andrew Ikeman's employment, he filed a complaint with the Corporate Ombudsman. Due to the nature of the complaint and the jurisdiction of the position, Devanne investigated the complaint in an informal, non-binding capacity. Her final report has already been sent to the BOD. Ultimately, she recommended that we review our disciplinary procedures, which will be undertaken by the PRC this month. It also wouldn't hurt to review the role of the Corporate versus Ed Board Ombudsman, and I think the editorial board should consider finding someone to fill the latter's vacant position for the remainder of the year—just to set that practice in motion for future years.

In related news, Andrew Ikeman resigned less than a week after returning to work, and since has not been in contact with me or Devanne regarding the board and our ruling. Ed board has been dealing with the appropriate hiring response to the situation.

A NEW DIRECTOR

Matt Conley wants to rejoin the board! Let's let him.

FINISHING UP THE YEAR...

- **AUDIT:** Andrew has a few potential dates so we can finally have the meeting on the audit. We really need to get this done before the AGM.
- **BUSINESS DEPARTMENT REVIEWS, TAKE TWO:** The second round of business department reviews are going to take place the first week of March and will be ready for BOD approval by the March meeting.

- **ED BOARD SALARY REVIEW:** Andrew, Kristyn, Kyle, and myself will be meeting next week to review the salaries on the editorial employees, which hasn't been done in... way too long.

GENERALMANAGER REPORTVII

TO FPS BOARDOFDIRECTORS

FEBRUARY10, 2013

141 LOUIS-PASTEURROOM228

Greetings BOD,

I'm happy to say that things have rolled along nicely to begin 2013. In terms of the business department it's been pretty much the normal routine, with a few developments/progress in certain areas. Here's where are:

FINANCIALS

As of February 8 we have \$191,237.50 in our chequing account, \$20,161.00 in our savings account, and \$20,916.90 in our GIC. Once again, this leaves us in excellent shape financially. Other than regular expenses for payroll and printing, there haven't been any major purchases lately. In the next few weeks we should expect to receive the first 75% of the winter student levies from the SFUO and GSAED, which will be a major crediting boost. Sadly but not too surprisingly, we have not received anything from Campus Plus in 2013.

CREDIT DRAFT CAPTURE SERVICE

Earlier this week I had a meeting with Douglas Webb, a salesman from Wholesale Merchant Services (WMS). He initiated the meeting. His company provides a credit card draft capture service. We currently have this service with TD. Basically it allows to us accept payment from clients by credit card. In our current setup, we gather the card information from a client and then I put it through on the phone and payment automatically goes through to our bank account. It's convenient for clients and us, since they can pay sooner and we don't have to worry about lost cheques/stolen cash.

TD does charge us for using this service, and this is reflected in the "credit card charges" line in the budget. The way it works is that TD charges us a small percentage of the monthly sales we make through VISA and MC. These fees then get automatically paid out from our account. We've typically budgeted about \$1,000 for yearly credit card charges.

As you'll see in the YTD budget, we've already surpassed this expense line. Why? Two

DISTRIBUTION

The immediate impact of the stands we purchased in December has been very positive thus far for pickup. The following locations are where we placed them: Hagen Hall, the Theatre building, rotunda of Tabaret Hall, second floor hallway of Arts, fourth floor of Simard Hall, Café Alt, the Draft Pub, main floor of SITE, and FSS. That's right – FSS! After a long back-and-forth, their facility manager finally allowed us to have a presence there earlier this week. Unfortunately, they would only allow us to have a small stand in the main hall. I was hoping for a big one, (a la Desmarais or UCU) but that won't be happening. Nevertheless, I'm very happy that we now have one there period.

Having these stands allows us to relieve many overflowing ones, while giving us a new presence in buildings we weren't in previously. For those of you counting, I have sent out nine stands and we do have one more in the office. I'm going to hold on to it for now. If our smaller one at FSS routinely gets emptied, I'll see if I can put it on the third or fourth floor there. We should keep in mind that the new Graduate Students building is nearing completion, so we may want to put it there.

As you'll see from the report, pickup in 2013 has gotten off to a great start. The one issue that didn't do well was the Capital Hoops one, in large part because it was only on stands for 5 days or so.

SOFTWARE

Martin from Ottawa Tech Support came in this week to wire DeeDee's computer into the network. This should allow for faster processing with network files and a less flippant Internet connection.

EQUIPMENT/SUPPLIES

I recently had to purchase invoices as were running out. Luckily I noticed this ahead of time and the ordering/shipment of new invoices did not result in any delay in terms of billing clients.

PRINTINGCOMPANY

Everything has been going smoothly with TC. The paper continues to look great and be delivered around noon on Wednesdays. They were able to accommodate us for the Capital Hoops issue, though we needed to submit by 1am Thursday morning (hours after the game). What they won't be able to accommodate are the SFUO elections. This has forced Ed Board to publish the sex supplement this week for Thursday while election coverage on Thursday night/early Friday will be online and then print coverage can be done for the issue after reading week.

AUDIT

Scheduling the audit presentation has been a bit of struggle, as the Board is aware. I'm waiting for Brad to confirm with me whether this Wednesday, Feb. 13 at 5:30pm works for him. Thursday evening is also a possibility. He'll likely get back to me on Monday.

MEET&GREET

A meet & greet journalism fundraiser has been tentatively scheduled at the Draft Pub for Saturday, March 23. I'd like to hear from Ed Board and the Board on if this date is convenient for most people. Other possible dates include Thursday the 21st or Friday the 22nd, unless we plan on having the AGM then. Greg Ewin from the Draft said that all these dates are still open. If we're fine with the 23rd, then all the legwork for this event can start happening soon. I'll need to contact speakers who can join us while beginning the silent auction donation process. In order to make this event work, I'll likely need the help of some Ed Board members, DeeDee, and the Volunteer & Visibility Coordinator as well.

On that front, I sent an email to Michelle about her visibility plans for this semester but haven't heard back yet.

And that's how we handled the mean green this month. Feel free to contact me at manager@thefulcrum.ca.

Cheers,

Andrew



ADVERTISING REPRESENTATIVE'S REPORT

FEBRUARY 10TH, 2013

SALES

Sales total = \$113220.25

Target exceeded by: \$3220.25

	Jan 31 st	=\$3454.25
	Feb 7 th	=\$4904.25
	Feb 14 th	=\$8595.16
Summer Issue =	\$2658.75	
Frosh Issue	= \$9631.41	
Sept 6 th	= \$5337.75	Total = \$93370.30
Sept 13 nd	= \$3888.25	Average \$/Issue= \$4668.512
Sept 20 th	= \$2769.50	11-12 Comparison:
Sept 27 th	=\$3928.00	Summer Issue = \$1,813.00
Oct 4 th	=\$2705.00	Frosh Issue = \$8,750.00
Oct 11 th	=\$4109.25	Sept 15 th = \$4,983.66
Oct 18 th	=\$8120.91	Sept 22 nd = \$5,333.44
Nov 1 st	=\$4929.25	Sept 29 th = \$4,008.44
Nov 8 th	=\$3382.00	Oct 6 th = \$2964.78
Nov 15 th	=\$3703.75	Oct 13 th = \$3627.03
Nov 22 nd	=\$2886.66	Oct 20 th = \$4579.78
Nov 29 th	=\$2680.00	November 7 th = \$3,189.03
Dec 6 th	=\$5330.25	November 10 th = \$2,694.78
Jan 10 th	=\$6533.91	November 17 th = \$2,287.78
Jan 24 th	=\$3822.00	November 24 th = \$2,409.78

Dec1st	= \$3,435.53	Feb 9 th	= \$5094.03
Dec 8 th	= \$4801.60	Feb 16 th	= \$5436.78
Jan 12 th	= \$8,676.94		
Jan 26 th	= \$7681.44	Total =	\$85024.26
Feb 2 nd	= \$3256.44	Average \$/issue=	\$4474.96

We are \$164.12 away from beating what we did last year! This is fabulous. And it's still only early February!

New contracts:

NCC

Hair/Spa Junkie

BSL - Metamorphoses

CD-VREA13

CD-SASS13-0014

BSL- NAC Live Rush

Market Cuts

University of Alberta
International

CD-VRRRC13-0033

Beau's Beer

Glenview Management

SFUO Elections

Hair Junkie purchased ads for the rest of the year in partnership with Spa Junkie. Total contract value is \$4965.42. We have another new hair salon advertising (very small salon) called Market Cuts. Andrew urged me to investigate Beau's Beer as a client – on their website we saw that they are holding a beer event on Sparks Street over winter break which they have advertised for! I will pursue Kitchissippi Beer also.

Following the condo train along has not garnered any more sales, but I am still working on it – I had a positive response to my emails to Claridge Condos and I waiting to hear back from the main advertising manager there!

I am currently contacting all student associations to see if they are interested in advertising their AGMs on the Cork Board (which was well liked by students according to Matt's survey!).

Andrew and I hit the Career Fair that was happening in the UCU last week and came back

with some great new contacts. Bonanza Gardens, Ace of Blades, Haunted Walk, Perspectives Educational Travel, and Randstad (who has advertised with us before). Those mentioned here were the most interested and were given our rate package on the day of the career fair. I will continue following up with them next week.

Sex supplement sales have been incredible, but not actually really related to sex shops. Last year the City of Ottawa placed ads with us for their STD clinics, but there was no interest this year. I got in touch with several sex shops but nothing materialized. Venus Envy placed ads last week due to wanting to get a head start for Valentine's Day (which may explain lack of interest in an issue that comes out the 14th). But the Feb 14th issue is almost at \$9,000 so things are going well.

TRAINING

Following up on my request for graphic design skills improvement, I finally had a chance to phone TrainingOttawa.com to investigate their Feb 7th and 8th class. I was informed that they had not had enough requests to schedule the class and that if I were to agree to make a deposit, they would let me know when they had enough participants registered. I explained that there may be a chance that I would not be able to register in advance for something that may not happen in our fiscal year and asked if they could get in touch when they had enough registered for the class. They refused to call me and told me to investigate other options! Which I was more than happy to do.

I have found a good option – the teacher, David Berman is highly acclaimed and started in student press. He is serving a 2 year term as Chair of Carleton University's CAN (Carleton Access Network), a new committee on accessible information technology.

<http://www.davidberman.com/>

The course is not until July 7, so I will pursue getting more information and see what the new board has to say. The timeline of the class is much better since I will be able to work on refining our 2013-2014 media kit.

EMPLOYEE BENEFITS

I still feel very strongly about employee benefits being considered for the business staff. As mentioned in the last meeting, this would be an asset to the positions for rehiring, but more importantly it would enable successful business staff to stay long-term. What is the next step to pursuing this? An HR Committee? What kind of further information would the Board like to see from me? I am happy to do the legwork on more information.

Have a great meeting!

Deidre Butters,

Advertising Representative

Feb. 10, 2013

Editor-in-Chief report

Since we last met in January, the editorial board of the *Fulcrum* has undergone some rather large renovations. Following the abrupt departure of news editor Andrew Ikeman, arts and culture editor Adam Feibel has stepped into the role. Adam is currently managing both the news and arts and culture sections to great success, with the help of the entire ed board and a few dedicated volunteers.

Although both the news and arts sections are thriving, Kyle and I have begun discussing the possibility of hiring a new arts and culture editor or news editor, depending on where Adam would like to remain. With no obvious replacements for either section, we are hesitant to bring someone else onto the ed board—we do not want to fill the position with a less-than-ideal candidate just for the sake of filling it—but with eight issues left this publishing year, hiring might be the best idea.

According to Adam, he is currently happy to manage both sections, but we realize the workload is heavy and he could change his mind. In the meantime, we're taking our cues from Adam and will go ahead with hiring if and when he decides he'd like to scale back.

In other news, opinions editor Sofia Hashi has revamped the opinions section of the *Fulcrum*, launching a humour page called "the Tomato." Inspired by *The Onion*, the page has received positive feedback from readers and volunteers are lining up to contribute pieces.

Given that we're halfway through the month of February, we've reached that time of year where people begin considering whether they'd like to work for the *Fulcrum*. Editors have begun meeting with volunteers who are interested in applying for editorial board and support staff positions, and we're happy to see that many people are getting excited about the possibility of working for the paper next year.

Finally, the editors of the *Fulcrum* are gearing up for our sex supplement and SFUO election night coverage. Look for that online and on stands Feb.

Fulcrum Publishing Society

Board of Directors Special Meeting MINUTES

February 13, 2013

Fulcrum office, 5:30 pm

Voting members present: Matthew Conley, Jonathan Rausseo, Ben Myers (Chair), Mercedes Mueller (President)

Ex-officio members present: Andrew Hawley (GM)

Others: Brad Colbourne of Connelly & Koshy

Members absent: Jessica Willms (Vice President), Sean Campbell

1. **Opening of the meeting at 5:47 p.m.**
2. **Presentation of the 2011-12 audit by Brad Colbourne**
 - a. Colbourne: The Fulcrum is very healthy financially. Not too much to comment on. Big takeaway is start looking at ways to restrict your surplus. There is a substantial reserve here for a not-for-profit organization.
 - b. Rausseo: Any suggestions on how we can restrict our surplus?
 - c. Colbourne: Look at investments. It may be good to move some of the funds from the chequing account into savings accounts or GICs. Perhaps there are long-term projects that would require having some cash set aside for.
 - d. Mueller: Office space is going to be a concern in the long-term. Perhaps we could put some money aside for that. Will be costly.
 - e. Myers: Asks Hawley if he can speak to the Fulcrum banker about looking at investment options. Hawley: Will do, I'll bring a report back to the board. No other questions for the auditor.
 - f. Myers motions to approve the audit for 2011-12, seconded by Conley. Motion carried.
3. **Adjournment**
 - a. Mueller moves to adjourn meeting, seconded by Conley.
 - b. Motion carried at 6:49 pm.

THE FULCRUM PUBLISHING SOCIETY
FINANCIAL STATEMENTS
FOR THE YEAR ENDED APRIL 30, 2012

Independent Auditor's Report
Statement of Financial Position
Statement of Operations
Statement of Changes in Net Assets
Statement of Cash Flows
Notes to Financial Statements

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of The Fulcrum Publishing Society

We have audited the accompanying financial statements of The Fulcrum Publishing Society which comprise the statement of financial position as at April 30, 2012, and the 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.

Managements's Responsibility for the 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

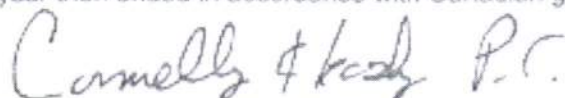
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable 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 entity'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 entity'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 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 The Fulcrum Publishing Society as at April 30, 2012, and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.



Connelly & Koshy, CA, Professional Corporation

Authorized to practice public accounting by the Institute of Chartered Accountants of Ontario

Ottawa, Ontario
January 4, 2013

THE FULCRUM PUBLISHING SOCIETY
(A Not for Profit Corporation)

STATEMENT OF FINANCIAL POSITION

AS AT APRIL 30, 2012

	2012	2011
	\$	\$
ASSETS		
CURRENT		
Cash	215,721	140,976
Short-term investments (Note 2e)	20,781	35,819
Accounts receivable (Note 3)	46,376	78,179
Prepaid expenses (Note 4)	577	641
	<u>283,455</u>	<u>255,615</u>
NON-CURRENT		
Equipment (Note 2f and 5)	19,205	20,129
Goodwill (Note 2g)	1	1
	<u>19,206</u>	<u>20,130</u>
TOTAL ASSETS	<u>302,661</u>	<u>275,745</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities (Note 6)	<u>18,185</u>	<u>8,131</u>
NET ASSETS		
Invested in capital assets	19,205	20,129
Unrestricted	<u>265,271</u>	<u>247,485</u>
	<u>284,476</u>	<u>267,614</u>
TOTAL LIABILITIES AND NET ASSETS	<u>302,661</u>	<u>275,745</u>

APPROVED ON BEHALF OF THE BOARD :

Director _____

Director _____

(See attached Independent Auditor's Report)
(See accompanying Notes to Financial Statements)

THE FULCRUM PUBLISHING SOCIETY
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED APRIL 30, 2012

	2012 \$	2011 \$
REVENUE		
Fundraising	17,419	11,836
Local advertising	106,246	81,513
National advertising	26,565	36,345
Student levy - SFUO	181,225	174,657
Student levy - GSAED	10,314	9,286
ORCUP revenue	2,810	0
Other revenue	465	901
	<u>345,044</u>	<u>314,538</u>
EXPENSES		
Advertising and promotion	1,624	823
Amortization - capital assets	6,584	7,366
Bad debts	1,260	0
Bank charges, interest and credit card charges	1,380	1,054
Insurance	1,551	1,514
Office supplies	8,633	3,807
Printing	88,196	81,343
Professional and membership dues	5,535	5,426
Professional fees	1,381	5,472
ORCUP conference expense	3,240	0
Salaries and employee benefits	174,550	154,508
Telecommunications	5,281	4,370
Training	519	665
Travel and conferences	28,675	12,100
	<u>328,409</u>	<u>278,448</u>
EXCESS REVENUES OVER EXPENSES	16,635	36,090
OTHER INCOME		
Interest income	<u>227</u>	<u>427</u>
EXCESS REVENUES OVER EXPENSES	<u>16,862</u>	<u>36,517</u>

(See attached Independent Auditor's Report)
(See accompanying Notes to Financial Statements)

THE FULCRUM PUBLISHING SOCIETY
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED APRIL 30, 2012

	Unrestricted	Invested in	Total	Total
	\$	Capital Assets	2012	2011
	\$	\$	\$	\$
NET ASSETS, beginning of the year	247,483	20,131	267,614	231,100
Excess of revenues over expenditures for the year	23,446	(6,584)	16,862	36,514
Net acquisitions of equipment	<u>(5,658)</u>	<u>5,658</u>	<u>0</u>	<u>0</u>
NET ASSETS, end of the year	<u>265,271</u>	<u>19,205</u>	<u>284,476</u>	<u>267,614</u>

(See attached Independent Auditor's Report)
(See accompanying Notes to Financial Statements)

THE FULCRUM PUBLISHING SOCIETY

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED APRIL 30, 2012

	2012	2011
	\$	\$
OPERATING ACTIVITIES		
Excess of revenue over expenses	16,862	36,517
Add: amortization	<u>6,584</u>	<u>7,366</u>
	23,446	43,883
Net change in accounts receivable	31,803	(48,989)
Net change in prepaid expenses	64	(24)
Net change in accounts payable and accrued liabilities	<u>10,052</u>	<u>2,330</u>
	<u>65,365</u>	<u>(2,800)</u>
INVESTING ACTIVITIES		
Acquisition of equipment	<u>(5,658)</u>	<u>(3,985)</u>
CHANGE IN CASH AND EQUIVALENTS	59,707	(6,785)
CASH AND EQUIVALENTS, beginning of year	<u>176,795</u>	<u>183,580</u>
CASH AND EQUIVALENTS, end of year	<u>236,502</u>	<u>176,795</u>
 REPRESENTED BY:		
Cash	215,721	140,976
Term deposits	<u>20,781</u>	<u>35,819</u>
	<u>236,502</u>	<u>176,795</u>

(See attached Independent Auditor's Report)
(See accompanying Notes to Financial Statements)

THE FULCRUM PUBLISHING SOCIETY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED APRIL 30, 2012

1. NATURE OF THE ORGANIZATION

The Fulcrum Publishing Society, a not-for-profit organization, was incorporated without share capital by Letters Patent under the laws of Ontario on October 19, 2004 and is exempt from income taxes. The organizations mandate is to:

- promote the interest and welfare of the students of the University of Ottawa through editorial stance by reporting accurately, fairly, and honestly on timely issues and events originating from the University of Ottawa campus;
- cover issues and angles not present in the mainstream media from its perspective as a member of the alternate press;
- serve as an education device and as a forum for differing points of view and world scopes; and,
- do all such other things for the attainment of the above-noted objects.

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements were prepared in accordance with Canadian generally accepted accounting principles and include the following significant accounting policies:

a) Use of estimates

The preparation of these financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. These estimates are reviewed periodically and adjustments are made to income as appropriate in the year they become known.

b) Cash and cash equivalents

The entity's policy is to disclose bank balances under cash and cash equivalents, including bank overdrafts and temporary investments with a maturity period of three months or less from the date of acquisition. Term deposits that the entity cannot use for current transactions because they are pledged as security are also excluded from cash and cash equivalents.

c) Revenue recognition

The organization follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year which related expenses are incurred. Unrestricted contributions are recognized as revenue when received or

(See attached Independent Auditor's Report)

THE FULCRUM PUBLISHING SOCIETY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED APRIL 30, 2012

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

c) Revenue recognition (continued)

receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

d) Contributed services

The majority of the hours that volunteers contributed over the year to assist the society in carrying out its activities are not recognized in these financial statements because the fair value cannot be reasonably estimated.

e) Temporary investments

Temporary investments are accounted for at the lower of cost and market value.

f) Equipment

Equipment is accounted for at cost. Amortization is based on their estimated useful life using the following methods and rates.

	Methods	Rates
Office furniture and equipment	Declining balance	20%
Computer hardware	Declining balance	55%

Additions are amortized at one-half of the above rate in the year of acquisition.

g) Goodwill

The goodwill arose from the purchase of the existing statutory and other property rights and interests relating to the 'Campus Newspaper' by the Society from The Student Federation of the University of Ottawa (SFUO).

h) Financial instruments

Not-for-profit organizations may elect to adopt Sections 3862, "Financial Instruments — Disclosures," and 3863, "Financial Instruments — Presentation," or to apply Section 3861, "Financial Instruments — Disclosure and Presentation." The Society has decided to apply Section 3861.

(See attached Independent Auditor's Report)

THE FULCRUM PUBLISHING SOCIETY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED APRIL 30, 2012

3. ACCOUNTS RECEIVABLE

	2012	2011
	\$	\$
Trade	28,560	63,224
Allowance for doubtful accounts	<u>(2,000)</u>	<u>(2,000)</u>
	26,560	61,224
Campus Plus	14,282	16,955
GSAED student levy	<u>5,534</u>	<u>0</u>
	<u>46,376</u>	<u>78,179</u>

4. PREPAID EXPENSES

The prepaid expenses relate to prepaid insurance premiums.

5. EQUIPMENT

	Cost	Accumulated Amortization	Net Book Value 2012	Net Book Value 2011
	\$	\$	\$	\$
Office furniture and equipment	19,157	(12,590)	6,567	8,204
Computer hardware	<u>43,498</u>	<u>(30,860)</u>	<u>12,638</u>	<u>11,923</u>
	<u>73,410</u>	<u>(54,205)</u>	<u>19,205</u>	<u>20,129</u>

6. ACCOUNTS PAYABLE

	2012	2011
	\$	\$
Trade and accrued liabilities	6,896	6,810
Payroll liabilities - current	3,582	0
HST - current	<u>7,707</u>	<u>1,322</u>
	<u>18,185</u>	<u>8,131</u>

(See attached Independent Auditor's Report)

THE FULCRUM PUBLISHING SOCIETY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED APRIL 30, 2012

7. CAPITAL DISCLOSURES

The society's capital is made up of net assets. The society's capital management objectives consist in ensuring that it continues as a going concern in order to fulfil its mission. The society manages its capital structure by preparing and monitoring its annual budgets to maintain a satisfactory level of capital.

8. FINANCIAL INSTRUMENTS

The Society's financial assets and financial liabilities are held for trading.

The carrying amount of cash, term deposits, accounts receivable, accounts payable and accrued liabilities is a reasonable approximation of their fair value since these instruments may be liquidated promptly.

9. FINANCIAL RISK MANAGEMENT POLICY

The society is exposed to various risks through its financial instruments. The following analysis provides a measure of the risks at the reporting date, April 30, 2012.

Credit risk

The society provides credit to its customers in the normal course of its operations. It maintains provisions for contingent credit losses which, once they materialize, are consistent with management's forecasts. The society does not normally require a guarantor. For the other debts, the society determines, on a continuing basis, the probable losses and sets up a provision for losses based on the estimated realizable value. There is no significant source of credit risk.

Interest rate risk

The society is exposed to interest rate risk on its fixed interest rate financial instruments. These financial instruments subject the society to fair value risk. Due to their short term maturity values, there is no significant interest rate risk.

Currency risk

The society has no foreign currency transactions and is therefore not subject to currency risk.

Market risk

There is no significant market risk.

(See attached Independent Auditor's Report)