



ANNUAL REPORT:
ACTIVITIES AND
09/10 FINANCIALS



AU STUDENTS' UNION
UNITED BY DISTANCE



FINANCIAL REPORT AND AGM INFORMATION

All data refers to the 2009/10 AUSU fiscal year, beginning October 1, 2009, and ending September 30, 2010. Planning information is for the 2010/11 fiscal year, beginning October 1, 2010, and ending September 30, 2011.

For verification and explanation of all financial data, please contact the AUSU VP Finance at vpfa@ausu.org.

The Annual General Meeting of AUSU will be held via teleconference on February 2, 2011, at: 2:30 pm MST at 1213, 10011 109th Street NW, Edmonton, AB. All members who live in a location with teleconference access may book a line. Special arrangements will be made for members overseas if we receive at least two business days notice of attendance. Inquire with ausu@ausu.org for more information or to book a line for the meeting.

Errors and omissions excluded.
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CONTACTS

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President's

message to the membership

Dear Members:

In March 2010 you elected a new Council. Three sitting Councillors returned and five new Councillors took their seats at the table bringing with them many and varied talents and viewpoints. Since the election our new Councillors have settled in, learned the ropes, and provided new insights into the interests and needs of our members. We are continuing the work of our predecessors and looking into ways to better serve you.

Over the last year we have fortunately been able to stabilize our full-time office staff. Our staff at the ELC and elsewhere have stepped up to the challenges posed and are providing knowledgeable assistance to our members. We are in the process of hiring a part-time bookkeeper, thus freeing up our full-time staff to serve our members as well as to work with Athabasca University to solve issues raised.

In 2010 we saw an increase in membership and an increase in revenues beyond our very conservative predictions. Our new investment policy has guided us in the prudent management of these funds. The interest earned on these investments will help us to continue to provide the services you need from AUSU, and will also make possible the hiring of an additional office staff member. These revenues enable us to provide you with such services as Smartdraw and our soon to be launched new web service. We are putting your money to work for you. AUSU now deals with TD and has at long last finalized the process of disentangling ourselves from Scotiabank.

As in previous years, we have engaged the services of Kingston Ross Pasnak as our auditors. We are pleased to announce that *The Voice Magazine* now has separate financial reporting, also audited by KRP, and that our auditors are satisfied with both sets of books. AUSU remains on sound financial footing and sees no need to increase our student fees in the foreseeable future.



As mentioned earlier, AUSU is in the process of launching a new web service for managing our clubs and societies. The process has taken some time and your patience has been greatly appreciated. We very much look forward to seeing it up and running very soon and would value comments when the time comes. Bear with us, these things always take longer than expected.

As usual, Athabasca University has seen fit to raise student fees to the maximum that it can. Because the increase is limited by Alberta inflation, which was negligible over the past year, the increase is \$1 per 3-credit course. Other fees however have gone up quite substantially. PLAR students can expect to pay \$750 despite our concerns this year and in previous years that such a substantial hike was rather a bitter pill to swallow. Yes, we recognize that similar fees at other universities are often substantially higher but that does not make the sudden sizeable increase any more palatable. Course materials now run \$170 per course and yet despite repeated requests from the university, they have failed to provide an explanation or breakdown of how that amount was decided upon. Given the increased reliance on open source everything at AU one wonders how they can justify this fee across the board. Exam rebooking fees are set at a deterrent rate of \$100, as are late exam request fees, so students are urged to take care to avoid these where possible. Lab kit fees are up by \$10, and withdrawing from a PLAR will now set our members back \$250. Some of these fees can be avoided but clearly as tuition is capped AU is using other means to extract funds from students.

AUSU has met with AU Graduate Students' Association to establish areas of mutual concern. We hope to continue to meet with AUGSA so that we may pull together where the interests of our students are in tandem. AUGSA has staff at the ELC and a website so be sure to look them up if you are interested in pursuing graduate studies at AU! AUSU met at long last with the Tutors' Union and established what we hope will be a fruitful dialogue. AUSU has also met

with representatives from two faculties to discuss our student issues database. This database is in its third year and has been effective in revealing trends in student concerns and university responsiveness.

AUSU is most concerned that the Alberta government has seen fit to yet again this year limit its increase to university funding to 0%. When the financial meltdown of late, unlamented memory occurred we understood that we all had to live with what we had. However, as the Alberta government bases its spending on the price of oil it is unbelievable that she has not seen fit to loosen the purse strings just a little. Oil is selling for high prices and there is no reason why Alberta cannot afford to help her universities get the infrastructure money they need, to make the hires that have long been put off and to replace academic and service staff seats emptied through attrition. AUSU exhorts Doug Horner to stand up for education, to stand up for universities, and to press the Alberta government to increase funding 6% in the next budget.

So what is next for AUSU? The website is not done yet so finishing that project is next on our radar. We have several publications in the works including a student orientation manual and a lobbying piece directed at specific portfolios with the Alberta government. We hope to get these completed this year as they have had to wait their turn in the queue for some time. We will be reevaluating the use of SmartDraw as the year goes on as the supplier is raising the cost substantially and we need to be sure of student demand before committing to the higher price.

A handwritten signature in black ink that reads "Barb Rielly". The script is cursive and fluid, with the first letters of each word being capitalized and prominent.

Barbara Rielly, President



Meeting Agenda

issues for discussion by the members

17th Annual General Meeting of AUSU

February 2, 2011; 2:30 P.M. MST

Location: Suite 1213, Edmonton Learning Centre, Teleconference

- 1.0 Call to Order and President's Welcome
- 2.0 Confirmation of Notice of Meeting
- 3.0 Approval of Agenda
- 4.0 Approval of March, 2010 AGM minutes
- 5.0 Annual financial statements as at September 30, 2010
 - 5.1 Appointment of Auditor for 2010-2011 Fiscal year
- 6.0 Presentation of AUSU Annual Activity Report
- 7.0 Adjournment

AGM 2010 Minutes

Minutes of the 16th AGM

ATHABASCA UNIVERSITY STUDENTS' UNION

Annual General Meeting

17:00 (MST), April 6, 2010

Teleconference

Councillors Present: Karl Low (Chair and member), Sarah Kertcher (member), Barb Rielly (member), Huma Lodhi (member), Bethany Tynes (member), Shaun Driscoll (member)

Staff Present: Tamra Ross, Pam Schellenberger (member), Sandra Livingston (member)

Other Members: Ashley Seely, John Palmer, Joel Benitez, Toni Fox, Joshua Tynes

Record of Minutes: Karyna McDonald

Call to Order: 17:09 MST

1.0 Call to Order and President's Welcome

2.0 Confirmation of Notice of Meeting
K. Low

3.0 Approval of the Agenda
K. Low / J. Palmer — Carried 12/0 —

4.0 Approval of the March 2009, AGM Minutes
K. Low/ B. Tynes — Carried 12/0 —

5.0 Annual Financial Statements as at September 30, 2009
Motion: BIRT AUSU receives and accepts the audited financial statements presented in the Annual Report as audited by Kingston Ross Pasnak
J. Palmer/ B. Rielly — Carried 12/0 —

5.1 Appointment of the Auditor for the 2008-2009 Fiscal Year
Motion: BIRT AUSU appoints Kingston Ross Pasnak as the auditors for its financial records for the 2009—2010 Fiscal Year
J. Tynes/ J. Palmer — Carried 12/0 —

6.0 Motion: BIRT AUSU amends Bylaw 9.2 by replacing the wording "completed a minimum of 3 AU undergraduate credits" with "successfully earned a minimum of 3 AU undergraduate credits in an AU course (credits from challenges, transfers from other institutions, or PLAR do not apply)."
040610.02 17:21 MST J. Benitez joins meeting
H. Lodhi/B. Rielly — Carried 12/0 —

7.0 Presentation of AUSU Annual Activity Report
Discussion regarding completed and in-progress AUSU projects.
Motion: AUSU receives and accepts the AUSU Annual Report as presented.
B. Rielly/J. Palmer — Carried 12/0 —

8.0 Meeting Adjourned at 17:50 MST
J. Palmer moved.

VP External

activity report and notes to the members



Dear AUSU Members:

This past year has been one in which AUSU has been able to build on existing working relationships and develop new ones with other parties in the university community. In addition to continuing to be a strong representative voice for members on various committees at AU, including Academic Council, the AUSU Executive has had the opportunity to meet with members of the AU Executive on a number of topics relating to our members, and is particularly grateful to Dr. Margaret Haughey, AU's VP Academic, for committing to meet with us on a regular basis.

We also had the opportunity this year to meet with representatives from the tutors' union, and were delighted to discuss ways that students and tutors can work together to improve students' learning experiences. AUSU has been pleased to meet with and see growth in the comparatively newly formed AU Graduate Students' Association, as well, and looks forward to working with the AUGSA to advocate on behalf of all AU students.

A massive overhaul of our Scholarships, Awards, and Bursaries policy this year not only saw our Academic Achievement Awards substantially revised into the Academic Achievement Scholarships, but also heralded the development of another new award, the Balanced Student Award. We also had the opportunity to offer a special award this year, the Christine Pannekoek Memorial Award, in memory of the wife of AU President Dr. Frits Pannekoek.

Following the development of our new position policy on the use of social media, we have also proceeded to enlarge our social networking presence. AUSU now has a Facebook page, a Twitter feed, and a group on the AU Landing. These tools are growing in popularity, and we look forward to seeing how they can be used to connect with students in the future. We also continue to not only offer our own ever-popular student discussion forums, but to anonymously log student complaints in our student issues database, and use these results to advocate for our members to the university.

We are excited to see the university implementing new tools and technologies to serve students, including the newly-unveiled online transfer credit service, and look forward to future offerings, particularly a degree audit system which would allow students to view online how credits are being applied to their program.

Economically, the province has begun to recover from its recession. This recovery has yet to be reflected in government funding grants to the university, however. We remain concerned, therefore, that without further funding from the province, quality of education at not only AU, but all Alberta universities, may decline. With the recently-announced resignation of Premier Stelmach, it is clear that the Alberta provincial government now faces a time of transition. We hope that the new Premier will be one who values post-secondary education in Alberta.



Bethany Tynes
Vice President, External



VP Finance

activity report and notes to the members



AUSU members and Board of Directors:

The following report is a summary of the annual financial statements for the fiscal year ending September 30th, 2010. Complete statements and notes are included in the following pages.

The main source of income for AUSU continues to be student fees. We again budgeted for a deficit, and finished the year in a \$108,000 surplus position. Overall spending for the 2009/2010 fiscal years was at or below our budget predictions.

The following is a breakdown of budgeted spending:

- Actual student fees received were \$20,489 more than anticipated.
- A surplus of \$20,000 in staffing is sufficient to ensure we can continue to meeting staffing needs into the new year.
- Council wages were \$11,000 less than budgeted as a result of operating with an eight person council.
- The newsletter was under budget due to our anticipated amount of newsletters not being published.
- Awards were notably under budget again this year due mainly because of ongoing issues in receiving our awards draw list from AU for the Academic Achievement award. As a result we have created a new award to help resolve this issue.
- Again this year, we realized a large surplus in representation amounting to roughly \$40,000 and we are gearing up for a large scale campaign that will use these monies.
- Amortization came in at roughly \$10,000 over budget.
- The student handbook/planner rate has been renegotiated and we will see a substantial savings in the coming year.

A major change in this year's finances is the completion and implementation of our investment policy and investment plan, as well as our move of financial institutions from Scotia Bank to TD Financial.

We have just completed our 2009/2010 audit by the auditing firm of Kingston Ross and Psnak. This is our fourth audit through this firm and we continue to be satisfied with the results. KRP's testing of AUSU's financial records did not reveal any illegal or possibly illegal acts.

We currently have two full-time AUSU staff, and a 3/4 time Voice editor. We anticipate adding a part-time office staff member in the upcoming year. We continue the process of moving many of our services that students request online in order to better improve efficiency for students.

Again in the last year, we struggled with obtaining the awards draw list from the university for our Academic Achievement Awards. As a result of these difficulties we have created new awards/ bursaries to address this issue.

The 2009/2010 financial year was another excellent year full of change within council. We welcomed a new council and executive, as well as a new editor for The Voice. As always, we continue to work on strengthening our reputation and presence within the university community. We continue to partner with, and seek out additional opportunities to partner with external lobbying groups. AUSU continues the search of new programs to ensure we're consistently meeting the growing and varying needs of our members. We're looking forward to serving the membership this upcoming year.

A handwritten signature in cursive script that reads "Sarah Kertcher".

Sarah Kertcher
Vice-President, Finance & Administration
March, 2011



FINANCIAL REPORT: Statement of Financial Position

THE FOLLOWING FINANCIAL STATEMENTS REPRESENT
THE FINANCIAL POSITION OF AUSU AS AT THE END OF
THE 2009/10 FISCAL YEAR

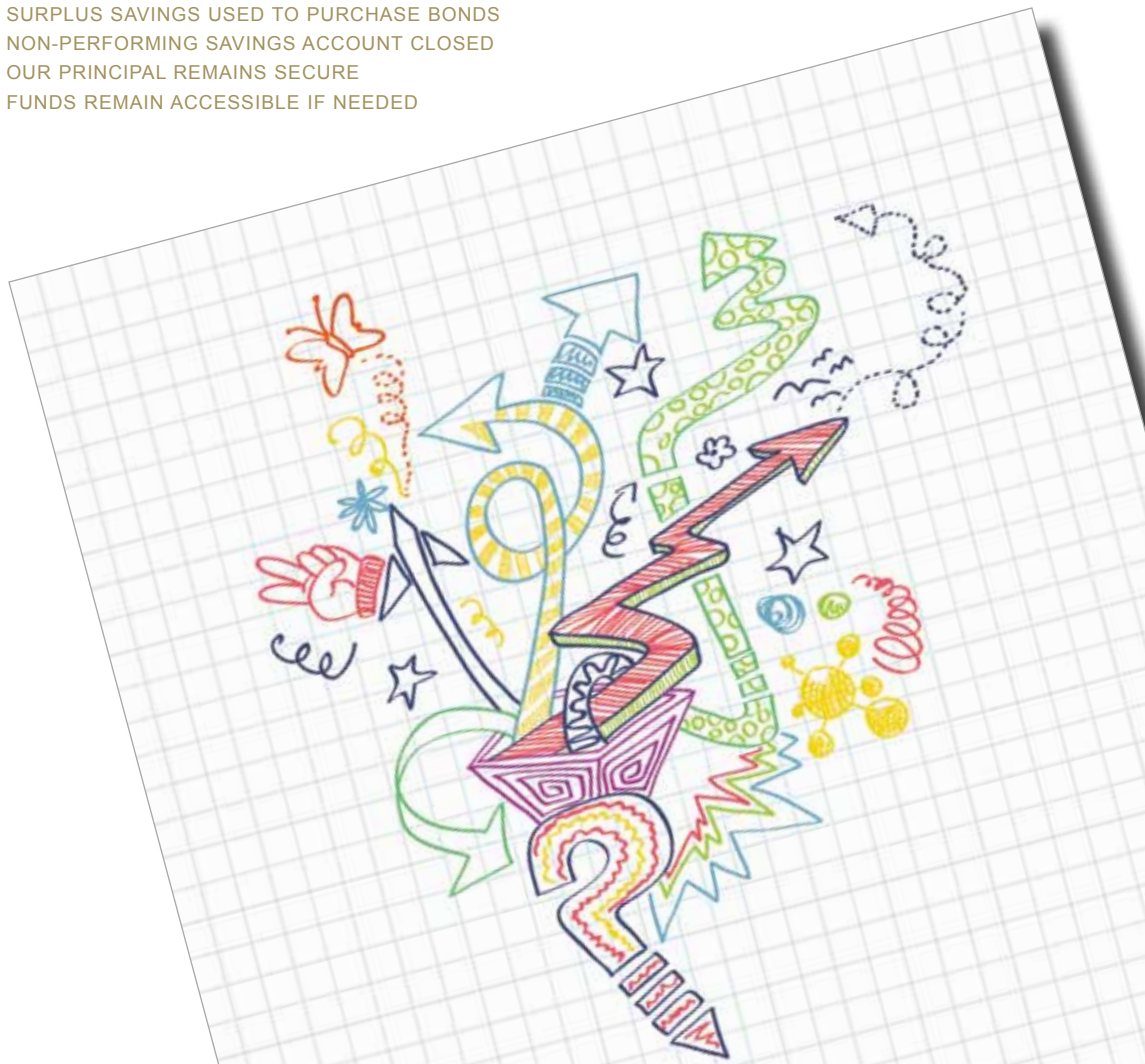
The AUSU fiscal year runs from October 1st though September 30th. Our audit was completed in January 2011 by the firm of Kingston Ross Pasnak of Edmonton, Alberta. This year we completed separation of the Voice books from AUSU and began earning investment income pursuant to our new investment policy and plan.

FACTORS IMPACTING OUR BOTTOM LINE

AUSU 2009/10 budget allowed us to adapt to our growing membership and provide services worldwide. A small fee increase, approved in 2008, took full effect this year and has been deemed sufficient such that no further increase is sought at this time or anticipated in the near future.

INVESTMENT INCOME CHANGES

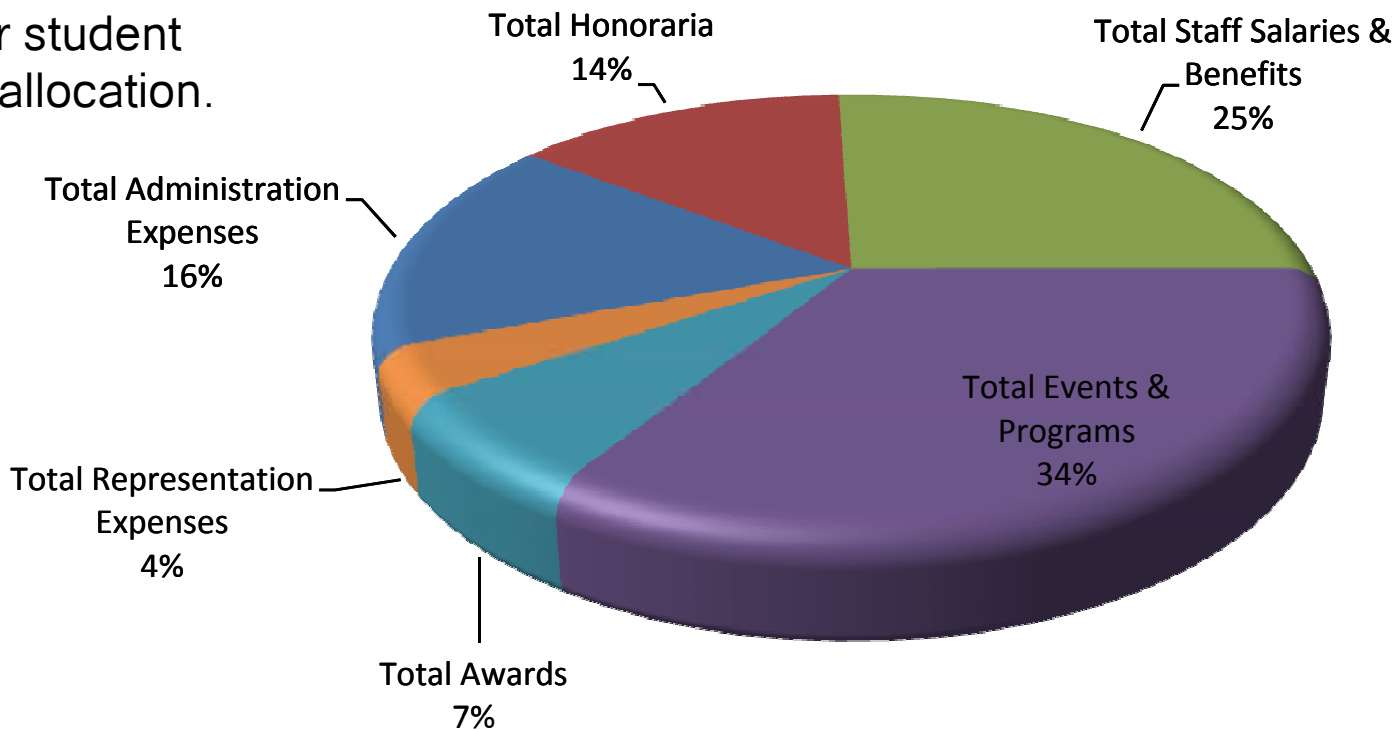
- SURPLUS SAVINGS USED TO PURCHASE BONDS
- NON-PERFORMING SAVINGS ACCOUNT CLOSED
- OUR PRINCIPAL REMAINS SECURE
- FUNDS REMAIN ACCESSIBLE IF NEEDED



Fiscal Responsibility

What does
\$9 buy?

Breakdown of
your student
fee allocation.



At a General Meeting, all members have a vote and are encouraged to join in the discussion. Any member may attend for free via teleconference..

WHAT TO EXPECT AT THE MEETING

Members may attend any public council meeting by contacting our office and requesting an agenda and dial-in information. In a regular meeting, members are asked to mute their lines and reserve questions for e-mail or a question period.

At a General Meeting, all members may engage in discussion, suggest resolutions, and vote on motions. The AGM cannot be conducted without a minimum number of members present, so participation is not only permitted, it is strongly encouraged.

After the Call to Order, the President directs the meeting by announcing each agenda item and moderating discussion and voting. New motions will require a mover and a seconder. A motion is not open for discussion until it is seconded by another

member; however, seconding does not indicate agreement. You may second a motion to open it for discussion and voting, but opt to vote against the motion.

Once a motion is seconded, discussion opens. Please wait until this time to present suggestions—everyone will have a chance to speak. You may ask questions or suggest amendments to the motion. When discussion concludes, voting will open and you may vote “aye” or “nay”.

Once the meeting adjourns, there will be an opportunity for an open discussion period. You may comment on any issue that is not on the agenda at this time. All comments and suggestions are welcome.

ATHABASCA UNIVERSITY STUDENTS' UNION

Financial Statements

Year Ended September 30, 2009

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AUDITORS' REPORT

December 9, 2009
Edmonton, Alberta

To the Members of Athabasca University Students' Union

We have audited the statement of financial position of Athabasca University Students' Union as at September 30, 2009 and the statements of operations, changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the Company'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.

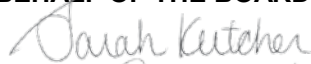
In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at September 30, 2009 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

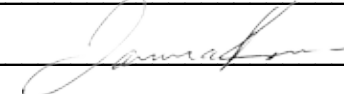
Kingston Ross Pasnak LLP
Chartered Accountants

ATHABASCA UNIVERSITY STUDENTS' UNION
Statement of Financial Position
September 30, 2009

	2009	2008
ASSETS		
CURRENT		
Cash (Note 5)	\$ 730,803	\$ 684,385
Accounts receivable	61,410	55,389
Inventory (Note 6)	12,913	5,102
Prepaid expenses	3,000	3,000
	808,126	747,876
EQUIPMENT (Note 7)	26,725	26,018
	\$ 834,851	\$ 773,894
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities	\$ 20,096	\$ 18,639
Deferred student fees	87,615	77,336
	107,711	95,975
NET ASSETS		
Unrestricted	224,985	174,901
Internally restricted (Note 8)	475,430	477,000
Invested in equipment	26,725	26,018
	727,140	677,919
	\$ 834,851	\$ 773,894

ON BEHALF OF THE BOARD


 _____ Director


 _____ Director

ATHABASCA UNIVERSITY STUDENTS' UNION

Statement of Changes in Net Assets

Year Ended September 30, 2009

	Unrestricted	Internally restricted	Invested in equipment	2009	2008
NET ASSETS - BEGINNING OF YEAR	\$ 174,901	\$ 477,000	\$ 26,018	\$ 677,919	\$ 651,906
Acquisition of internally funded equipment	-	(10,316)	10,316	-	-
Internally imposed restrictions	(8,746)	8,746	-	-	-
Excess of revenue over expenditures	58,830	-	(9,609)	49,221	26,013
NET ASSETS - END OF YEAR	\$ 224,985	\$ 475,430	\$ 26,725	\$ 727,140	\$ 677,919

ATHABASCA UNIVERSITY STUDENTS' UNION

Statement of Cash Flow

Year Ended September 30, 2009

	2009	2008
OPERATING ACTIVITIES		
Cash receipts from Athabasca University	\$ 509,653	\$ 503,893
Cash paid to students, suppliers and staff	(452,919)	(478,147)
Cash flow from operating activities	56,734	25,746
INVESTING ACTIVITIES		
Purchase of equipment	(10,316)	(24,946)
Proceeds on disposal of equipment	-	611
Cash flow used by investing activities	(10,316)	(24,335)
INCREASE IN CASH	46,418	1,411
CASH - BEGINNING OF YEAR	684,385	682,974
CASH - END OF YEAR	\$ 730,803	\$ 684,385

ATHABASCA UNIVERSITY STUDENTS' UNION

Statement of Operations

Year Ended September 30, 2009

	Budget 2009 (Unaudited)	2009	2008
REVENUE			
Student fees	\$ 497,129	\$ 495,167	\$ 478,544
Advertising and promotion	10,000	4,842	7,925
Interest	20,000	4,331	20,189
Merchandise sales	2,500	870	-
Voice income	-	185	-
	529,629	505,395	506,658
EXPENSES			
Staffing	144,540	124,553	116,497
Council wages	90,283	83,264	87,241
The Voice	62,141	58,235	51,224
Student handbook	43,500	46,664	32,692
Administration	41,651	36,726	34,968
Awards	43,196	24,963	19,553
Newsletter	50,000	22,016	73,626
Professional fees	17,000	15,750	17,760
Advertising and promotion	45,000	12,690	12,071
Amortization	2,000	9,609	6,275
Teleconference meetings	8,500	7,187	6,618
Events and programs	5,300	6,860	10,780
Representation	27,500	5,279	9,300
Interest and bank charges	900	1,276	784
Insurance	1,500	1,102	1,216
	583,011	456,174	480,605
(DEFICIENCY) EXCESS OF REVENUE OVER EXPENSES FROM OPERATIONS	(53,382)	49,221	26,053
Loss on disposal of equipment	-	-	(40)
(DEFICIENCY) EXCESS OF REVENUE OVER EXPENSES	\$ (53,382)	\$ 49,221	\$ 26,013

ATHABASCA UNIVERSITY STUDENTS' UNION

Notes to Financial Statements

Year Ended September 30, 2009

1. AUTHORITY AND PURPOSE

On March 18, 2004, Athabasca University Students' Union ("AUSU") was incorporated under the Post Secondary Learning Act. AUSU is administered by a board of directors and its principal purpose is to provide for the administration of the affairs of the Athabasca University undergraduate students, including the development and management of student institutions, the development and implementation of a system of student governing principles, the promotion of the general welfare of Athabasca University undergraduate students and the furtherance of the values inherent in an open University as well as of life-long learning. AUSU is a non-profit organization under the Income Tax Act (Canada) and, as such, is not liable for payment of income taxes.

2. ECONOMIC DEPENDENCE

AUSU receives substantially all of its revenue from Athabasca University as legislated under the Alberta Post-Secondary Learning Act section 95(2)e that provides for the "maintenance of the association by the levy of membership fees on its members." Should Athabasca University substantially change its dealings with AUSU subsequent to legislative changes permitting such, management is of the opinion that continued viable operations would be doubtful.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Significant accounting policies observed in the preparation of the financial statements are summarized below. These policies are in accordance with Canadian generally accepted accounting principles.

Inventory

Inventory is recorded at the lower of cost and net realizable value, with cost being determined on a first-in, first-out basis.

Equipment

Equipment is stated at cost less accumulated amortization. Equipment is amortized over their estimated useful lives at the following rates and methods:

Furniture and equipment	Ten
Computer equipment	Three

Deferred student fees

The AUSU records student fees at the beginning of a course's progression. Some of the fees received prior to year end relate to courses which commence in the next fiscal year and thus, to be consistent with generally accepted accounting principles, these revenues from student fees are classified as deferred and recognized as revenue one month subsequent to the start of the course to which the fees relate.

(continues)

ATHABASCA UNIVERSITY STUDENTS' UNION

Notes to Financial Statements

Year Ended September 30, 2009

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

Revenue recognition

Student fee revenue is recognized one month subsequent to the start of the course to which the fees relate once funds from the students have been received by Athabasca University and collection by AUSU is reasonably assured.

Advertising revenue is recognized with the completion of the activity to which the revenue relates and collection is reasonably assured.

Investment earnings are recognized as revenue when earned and collection is reasonably assured.

Merchandise sales are recognized when the goods are transferred to the customer and collection is reasonably assured.

Financial instruments

Financial instruments are classified into one of five categories: held-for-trading, held-to-maturity investments, loans and receivables, available-for-sale financial assets or other financial liabilities. All financial instruments are measured in the Statement of Financial Position at fair value except for loans and receivables, held-to-maturity investments and other financial liabilities which are measured at amortized cost. Subsequent measurement and changes in fair value will depend on their initial classification. Held-for-trading financial assets are measured at fair value and changes in fair value are recognized in excess of revenue over expenditures. Available-for-sale financial instruments are measured at fair value with changes in fair value recorded in the statement of changes in net assets until the instrument is derecognized or impaired.

AUSU has made the following classifications:

- Cash is classified as financial asset held for trading and is measured at fair value.
- Accounts receivable are classified as loans and receivables and are recorded at amortized cost using the effective interest method.
- Accounts payable and accrued liabilities are classified as other liabilities and are measured at amortized cost using the effective interest method.

AUSU has chosen to continue to apply Section 3861, Financial Instruments - Disclosure and Presentation, instead of adopting Section 3862, Financial Instruments - Disclosure and Section 3863, Financial Instruments - Presentation.

Statement of Cash Flow

AUSU is using the direct method in its presentation of the Statement of Cash Flow.

(*continues*)

ATHABASCA UNIVERSITY STUDENTS' UNION

Notes to Financial Statements

Year Ended September 30, 2009

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

Measurement uncertainty

The preparation of 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, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates include providing for amortization of equipment and collectibility of accounts receivable. Actual results could differ from these estimates.

Capital disclosures

In the current fiscal year, the Company adopted new CICA Handbook Section 1535, "Capital Disclosures." This Section establishes standards for disclosing information about the entity's capital and how it is managed, in order for a user of the financial statements to evaluate the entity's objectives, policies and processes for managing capital.

The required disclosures have been included in Note 11 to the financial statements.

Changes in accounting policies

Effective October 1, 2008, AUSU adopted Canadian Institute of Chartered Accountants (CICA) Handbook Section 3031, "Inventories", which supersedes Section 3030. The new standard introduces significant changes to the measurement and disclosure of inventory and provides guidance on the determination of cost and its subsequent recognition as an expense, including any write-down to net realizable value. In addition, in certain circumstances, write-downs of inventory previously recognized may be reversed. The adoption of Section 3031 resulted in no material impact to the measurement of inventory.

ATHABASCA UNIVERSITY STUDENTS' UNION

Notes to Financial Statements

Year Ended September 30, 2009

4. FUTURE ACCOUNTING STANDARDS

The Canadian Institute of Chartered Accountants (CICA) has issued new accounting standards which will affect AUSU's financial statements in subsequent fiscal years.

Financial Statement Presentation by Not-for-Profit Organizations

The CICA has revised Handbook Section 4400 "Financial Statement Presentation by Not-for-Profit Organizations" in the following areas. These revisions apply to annual and interim periods beginning on or after January 1, 2009.

- Net assets invested in capital assets - the requirement to treat net assets invested in capital assets as a separate component of net assets has been eliminated. Not-for-profit organizations may instead choose to present net assets invested in capital assets as a category of internally restricted net assets.
- Statement of Cash Flow - not-for-profit organizations must now apply the standards found in HB Section 1540 "Cash Flow Statements". This Section has been modified to include cash flow considerations that are specific to not-for-profit organizations.

5. CASH

Cash is held in a tiered interest rate account. Interest is paid based on the balance maintained in the account as follows:

\$0 to \$50,000	Prime less 4.0%
\$50,001 to \$200,000	Prime less 3.5%
\$200,001 to \$500,000	Prime less 3.0%
\$500,001 and over	Prime less 2.5%

6. INVENTORY

Inventory consists entirely of finished goods. During 2009, \$6,443 (2008 - \$7,421) of inventory was expensed and there were no inventory write-downs taken. The expensed portion of inventory is included in the Statement of Operations under advertising and promotion.

7. EQUIPMENT

	Cost	Accumulated amortization	2009 Net book value	2008 Net book value
Furniture and equipment	\$ 19,248	\$ 1,669	\$ 17,579	\$ 16,935
Computer equipment	36,300	27,154	9,146	9,083
	\$ 55,548	\$ 28,823	\$ 26,725	\$ 26,018

Amortization provided for in the current period totaled \$9,609 (2008 - \$6,275).

ATHABASCA UNIVERSITY STUDENTS' UNION

Notes to Financial Statements

Year Ended September 30, 2009

8. RESTRICTIONS ON NET ASSETS

AUSU internally restricts net assets for the purpose of student development, special projects, infrastructure and research. These internally restricted amounts are not available for other purposes without approval of the Board of Directors.

9. RELATED PARTY TRANSACTIONS

During the year, AUSU received \$495,025 (2008 - \$478,490) from Athabasca University related to student fees. The parties are related through their connection to the Athabasca University students.

10. FINANCIAL INSTRUMENTS

AUSU's financial instruments consist of cash, accounts receivable, and accounts payable and accrued liabilities.

Fair value

AUSU carries cash at fair value. The carrying value of accounts receivable and accounts payable and accrued liabilities approximates its fair value due to the immediate or short term maturity of these instruments.

Interest rate risk

AUSU is subject to interest rate risk on its floating rate tiered interest rate cash account (Note 5). AUSU does not use hedges or derivative instruments to reduce its exposure to this risk.

Market risk

AUSU is exposed to market risk to the extent that the value of the financial instruments identified above will fluctuate as a result of changes in service demand due to the changes in student choice of post secondary institution.

11. CAPITAL DISCLOSURES

AUSU's objectives when managing capital are to protect its ability to meet the ongoing operational requirements and undertake specific initiatives to achieve goals and objectives of the organization, while at the same time taking a conservative approach towards management of financial risk. AUSU currently has no externally imposed capital requirements.

Capital is comprised of AUSU's net assets and any related debt it may issue. As at September 30, 2009, AUSU's net assets balance was \$727,140 and it had no outstanding debt.

FINANCIAL REPORT: 2010/11 Annual Budget

THE FOLLOWING PAGES CONTAIN THE ANNUAL BUDGET FOR AUSU'S 2009/10 FINANCIAL YEAR. INCLUDED FOR COMPARISON IS THE 2009/10 BUDGET.

	2009/2010	2010/2011
REVENUE		
Revenues		
Student Fees	537,660.00	550,000.00
Advertising		
<i>Planner advertising</i>	3,000.00	6,000.00
<i>Newsletter advertising</i>		
<i>Other advertising</i>	200.00	
Interest	6,000.00	40,000.00
Vending	0.00	0.00
Merchandise Sales	500.00	1,000.00
Other	35.00	40.00
TOTAL REVENUE	547,395.00	597,040.00
EXPENSES		
Administration		
Amortization	2,000.00	10,000.00
Bank Charges	900.00	750.00
<i>Technology Expenses</i>		
<i>Hardware</i>		
<i>Staff</i>	2,000.00	2,000.00
<i>Councillors</i>	2,000.00	2,000.00
<i>Services</i>	3,000.00	3,000.00
<i>Software</i>		
<i>Staff</i>	2,000.00	2,000.00
<i>Councillors</i>	600.00	300.00
Total Technology Expenses	9,600.00	9,300.00
Elections Expenses	3,000.00	1,000.00
Teleconference Meetings	7,500.00	6,000.00
Insurance Expenses	1,300.00	1,300.00
Staff Parking (Licence & Permits)	2,800.00	3,600.00
Merchandise & Promotional & Advertising	10,000.00	7,500.00
Miscellaneous Expense	0.00	0.00
<i>Office Expenses</i>		
<i>Furniture</i>	1,500.00	1,000.00
<i>Supplies</i>	4,500.00	3,000.00
<i>Postage & Courier</i>	9,000.00	10,000.00
<i>Telephone</i>	1,500.00	1,700.00
Total Office Expenses	16,500.00	15,700.00

Payroll Processing Fees	2,300.00	2,300.00
Professional Fees		
Accountant	18,375.00	15,000.00
Lawyer	1,000.00	1,000.00
Other	0.00	0.00
Total Professional Fees	19,375.00	16,000.00
Publication Supplies	1,000.00	1,000.00
Reference Materials	600.00	600.00
Subscription Fees	500.00	500.00
Training	2,000.00	2,500.00
Travel	5,000.00	0.00
Website Expenses	12,000.00	7,000.00
Total Administration Expenses	96,375.00	85,050.00
Salaries and Benefits		
Councillor Salaries		
Executive	51,114.29	52,647.72
Councillor	33,091.97	34,084.73
Councillor Benefits	6,601.00	9,846.00
Staff appreciation	1,800.00	2,000.00
Benefits	11,000.00	11,000.00
AUSU Tax Portion		
Councillor	3,800.00	3,800.00
Staff	6,000.00	6,000.00
Staff Salaries	130,000.00	150,000.00
Total Salaries and Benefits	243,407.26	269,378.45
Events and Programs		
Convocation	15,000.00	7,500.00
Newsletter	75,000.00	55,000.00
Informational/Promotional Publications	0.00	15,000.00
Student Handbook	45,000.00	55,000.00
Voice	67,207.50	68,750.00
Gifts & Donations	300.00	1,000.00
Total Events & Programs	202,507.50	202,250.00
Awards		
Contests	500.00	500.00
Gifts & Donations	500.00	0.00
Student Awards	40,980.00	50,000.00
Total Awards	41,980.00	50,500.00
Representation Expenses		
Advocacy & Lobbying	20,000.00	20,000.00
Professional Development	1,500.00	1,500.00
Membership Fees	0.00	0.00
Travel	0.00	3,000.00
Total Representation Expenses	21,500.00	24,500.00
TOTAL EXPENSE	605,769.76	631,678.45
NET INCOME	547,395.00	597,040.00
Deficit or Surplus	-58,374.76	-34,638.45



AUSU 2009/11

Priority Activities and Planning

Our current council has been in office for just 9 months but has many projects under way. The council will serve until April of 2012, and an election will be held around March of 2012 to select the next board. Watch for announcements around December, 2011.

TUTOR OF THE YEAR

We are just wrapping up the fourth Tutor of the Year contest and will announce the results in an upcoming newsletter. Providing positive feedback to tutors who do a great job helps to ensure that our members continue to receive great service.

FITNESS DISCOUNTS

We have yet to locate a gym that can provide discounts to our members in all provinces of the country, but continue to work toward this goal. Of particular importance is ensuring that there are no age limits on any discounts we arrange for our very diverse membership.

COMPLAINT TRACKING

AUSU continues to log all contacts in our secure database to statistically track complaints and concerns from students. This past year we provided our first report from the database to AU, and we are now beginning to see some of the results. Courses which generated a high volume of complaints are being reported less, and we have managed to arrange a first meeting between AUSU and the Tutors' Union.

AWARDS

AUSU added several new awards this year. First, to address problems with obtaining a valid draw for our AA awards, the award has been revamped to be by application and provided to the applicant with the highest GPA for the category. We also honoured the late of the wife of AU President Frits Pannekoek with our Christine Pannekoek Memorial Award. Ms. Pannekoek was a great supporter of the arts, and our award has helped support students studying music at AU. Finally, the balanced student award provides funding to students who pursue their studies while juggling other major responsibilities.

AUSU PLANNER/HANDBOOK

AUSU continues to produce its most popular book, and has renegotiated our printing deal to obtain much lower rates.

SMART DRAW

In late 2007, AUSU purchased a mass user license to the popular SmartDraw software package. At the end of the term, usage of the program was evaluated and council determined that it was both cost-effective and a value-added benefit to members. However, we were informed late in 2010 that the price for this license is increasing dramatically. To ensure that our members were not left in the lurch,

AUSU negotiated a lower, interim price and renewed the license for one more year. We are now asking members to contact our office to obtain the license key so we can track how many students are using the software and determine if an ongoing license is warranted.

STUDENT ORIENTATION BOOKLET

We continue to add sections to our Student Orientation handbook in response to frequently asked questions and complaints from students. We plan to have a beta version of the book out shortly and will ask members to evaluate the publication so that we can ensure it has all of the information that our members need.

GRAD SOCIETY LIAISON

AUSU is delighted that AU now has a dedicated graduate students' association (the AUGSA). Previously, there was no formal association representing the needs of our grads, and AUSU provided what support we could. We were limited, however, by the fact that grads did not pay our fees, and therefore were not eligible for our cost-based services and financial aid. Graduate support benefits all AU students, including undergrads who plan to pursue graduate work at AU in the future. We encourage all graduate students, and those planning to take AU grad courses, to visit www.augsa.org and learn more about what your GSA has to offer. Like AUSU, the GSA is funded by its members via a fee attached to course registrations, and it is run by a student board elected from its membership.

ORGSYNC

The student clubs program has proven to be very difficult to maintain, though students continue to express an interest. Much of our administration time for this program has unfortunately gone into dealing with clubs that are without leadership, while new clubs are usually put on hold due to a lack of staff time to get them started. It has become clear that a new system is required which will allow clubs to be more self-maintaining, and which will give all members an opportunity to contribute. To accomplish this we have purchased a license for OrgSync, a Facebook like software (without the annoying third party apps and childish features that our members have complained about) that helps build student communities. The installation is complete and we'll be announcing the platform shortly!

POINTS PROGRAM

Student feedback is council's most important resource. It drives the development of programs, targets our lobby efforts, and lets us know how we're doing. We've also come to realize that we can be a significant resource to the university by helping to collect feedback and reporting statistically to departments that provide student services and learning materials. To encourage this kind of feedback, and to enhance the sense of an AU student community, AUSU continues to look at ways to encourage student input. The points program was developed by the previous council, and will shortly be put in place through our OrgSync installation!

STUDENT PRICE CARDS

AUSU offered Student Price Cards a few years ago and uptake was low. We noted at the time that many of the discounts were not of interest to adult students as they had a very strong youth focus. However, the stores associated with the card are now more diverse, so we may offer these again in the near future. Pricing and ordering details will be on our web site.



Representation

On external, AU committees

COMMITTEE	STUDENT REPRESENTATIVE
AU Governing Council (AUGC)	Barb Rielly and Sarah Kertcher
Finance Subcommittee	Barbara Rielly (AU Appointed)
Strategic Budget Advisory Subcommittee	Sarah Kertcher (AU Appointed)
Honorary Awards Subcommittee	Barbara Rielly (AU Appointed)
Institutional Advancement Subcommittee	Sarah Kertcher (AU Appointed)
AU Academic Council (AUAC)	Bethany Tynes
Student Academic Appeals Committee	Tamra Ross
Student Awards Committee	Bethany Tynes
Student Services Group (SSG)	Sarah Kertcher
Miscellaneous Ad Hoc Committees	
Moodle Implementation Committee	Tamra Ross
MSCHE AU Accreditation Task Forces (complete)	Karl Low, Tamra Ross, Sarah Kertcher
Miscellaneous Standing Committees	
AU Staff Awards Committee (SDRMASE, PATME & CCMATE)	Tamra Ross
Bryon Paege Memorial Award (CUPE)	Bethany Tynes
Integrated Learning Centres Steering	Sarah Kertcher
Sustainability Committee	(committee is dormant)

AUSU Council

Internal Committees

COMMITTEE	CHAIR	MEMBERS
Finance	Sarah Kertcher	Barb Rielly, John Palmer, Kim Newsome, Toni Fox, Ashley Seely, Tamra Ross (ex officio), Karyna McDonald (ex officio)
Awards	Bethany Tynes	Barbara Rielly, Ashley Seely, Toni Fox, Kim Newsome, Tamra Ross (ex officio)
Media	Toni Fox	Ashley Seely, Joel Benitez, Barb Rielly, Tamra Ross (ex officio).

Representation

Other areas where we have input

AU EXECUTIVES WE MEET WITH ON A REGULAR SCHEDULE	
Dr. Frits Pannekoek	AU President
Dr. Margaret Haughey	AU Vice President Academic
James D'Arcy	AU Registrar

OTHER WORKING GROUPS COUNCIL AND STAFF MEET WITH	
Open AU	We are provided with a half page in each printed issue.
AU Tutors' Union	Our first meeting with the union was a great success, and we plan to continue meetings quarterly over the coming year.
AUGSA	We continue to meet with the GSA to discuss areas of common concern to graduates and undergraduates at AU.

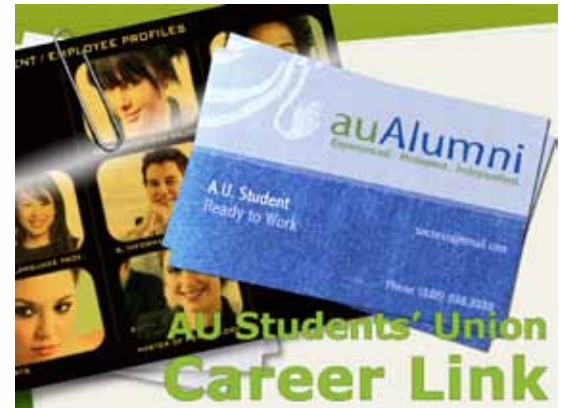


Services for our members

Some of the services and publications students receive from AUSU

Career Link

In conjunction with the Personnel Department of Edmonton, AUSU built a career site at goodstaff. jobs. However, due to low student participation, we're looking at new ways to provide desperately needed career services to our members. We hope AU will begin to include such services in the future as they are highly requested and have a significant impact on recruitment.



Smart Draw License

A \$297 USD value, the Smart Draw Virtual Processor package has many new features and allows students to create a wide range of graphics including charts, graphs, time lines, flowcharts, and more, plus a wide range of health care charts and documents. These graphics can be automatically output to Word, Excel and many other programs, so students can submit them to tutors who do not have Smart Draw. Since 2007 AUSU has purchased an annual license but the price has increased dramatically this year, so we are evaluating usage to determine if we'll continue this service into 2012.

AUSU Merchandise

In 2008, AUSU began building up a stock of custom merchandise sporting AUSU and Voice Magazine branding. To encourage a sense of student community, all items are being sold at prices that are very near our cost, plus actual shipping rates. New items will be added over the coming year. Merchandise is also a great incentive for contests when we want student feedback or participation!



Publications

being in touch with students



AUSU Handbook/Planner

Still our most popular service, our free planner is in full colour, and has an added tabbed divider with a slot for notes and small loose papers. It also includes course planning pages and a clip in page marker ruler. We have renegotiated our rates to produce the planner more cheaply in 2011 without altering quality. This publication is so popular that we've also offered it for sale to graduate students and alumni to quench ongoing demand and to offset production costs.

AUSU News

The only publication automatically mailed to all members, *AUSU News* reaches more than 40,000 undergraduates annually. The newsletter helps us stay in touch with our members, ensures that important news reaches members in all locations, and provides a link for members who are not on-line or who have not yet found our web site.





Sustainability

for our future

AUSU's focus this year is on our international members. We welcome students from every corner of the earth, and know that many of you have been impacted by recent natural disasters and the effects of climate change.

We're committed to doing our part to ensure that we have a tiny carbon footprint. We now maintain a nearly paperless office, and distribute most documents electronically. When we do print (students still want hard copy planners and our post cards and newsletters help students find out about services we offer), we select eco friendly options: this year we changed the paper we use for our newsletter to one with a high volume of post-consumer recycled content, and all components of our planner are recyclable as well. Where possible, we purchase eco friendly office supplies and we recycled our old office equipment by donating it instead of throwing it out.

If you have any ideas for how we can be more eco friendly, just let us know!



MAIN OFFICE

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COUNCIL

Barb Rielly, President
Bethany Tynes, VP External
Sarah Kertcher, VP Finance
Joel Benitez
Toni Fox
Kim Newsome
John Palmer
Ashely Seely

STAFF

Tamra Ross - Executive Director/Voice Editor-in-Chief
Karyna McDonald - Office Coordinator/Bookkeeper
Christina Frey - Voice Managing Editor

AUSU serves more than 41,000 Athabasca University undergraduates annually.
AUSU members are defined as all students of Athabasca University who are currently enrolled in an AU undergraduate course (if extensions are purchased, the extended end date is used to calculate membership).

For more information about AUSU and its programs, please see
www.ausu.org, or call our office.

This booklet prepared for AUSU by Tamra Ross.
Errors and omissions excluded.

Graphics and design by Tamra Ross © AUSU, 2011

WE WELCOME ALL QUESTIONS AND COMMENTS FROM
OUR MEMBERS. CONTACT US FOR MORE INFORMATION:
1.800.788.9041 X 3413

AUSU serves more than 41,000 undergraduate students annually across Canada and around the world. We offer advocacy, support, and services needed by students. The AUSU web site contains information on all of our services, including our financial aid options, student clubs and course reviews.



AU STUDENTS' UNION
UNITED BY DISTANCE

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