

Report of Examination of the Accounts of  
THE ASSOCIATED STUDENTS OF THE UNIVERSITY OF ARIZONA  
July 1, 1965 to June 30, 1966

Report No. 127

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EXAMINATION OF THE ACCOUNTS OF THE  
ASSOCIATED STUDENTS OF THE UNIVERSITY OF ARIZONA

To the Arizona Board of Regents:

Our report covering the examination of the accounts of the Activities Section and of the Photography Service of the Associated Students of the University of Arizona for the fiscal year 1965-66 is presented herewith.

The financial statements included in this report give effect to accounts receivable, accounts payable, and inventories, where these assets and liabilities are material factors in computing operating results and financial position. Similar modifications of the cash basis of accounting used by the Association and by the University of Arizona have been made by us in the financial statements submitted with our reports in prior years.

Respectfully submitted,

*Marvin Stein*

Marvin Stein  
Supervising Examiner

*S. A. Morey*  
S. A. Morey  
Examiner

February 27, 1967

THE ASSOCIATED STUDENTS OF THE UNIVERSITY OF ARIZONA

EXAMINATION REPORT

JULY 1, 1965 to JUNE 30, 1966

Contents

	<u>Page</u>
<u>PART I - ACTIVITIES</u>	
Financial Summary	1
Comments on Operating Results	1
Comments on the Statement of Financial Position	2
<u>PART II - PHOTOGRAPHY SERVICE</u>	
Financial Summary	3
Comments on Operating Results	3
Comments on the Statement of Financial Position	3
<u>FINANCIAL STATEMENTS:</u>	
Exhibit A:    ACTIVITIES, Statement of Income and Expenses for the Years Ended June 30, 1966 and 1965	5
Schedule 1:  ACTIVITIES, Schedule of Expenses for the Years Ended June 30, 1966 and 1965	6
Exhibit B:    ACTIVITIES, Statement of Financial Position, June 30, 1966 and 1965	7
Schedules 2-5:  ACTIVITIES, Statement of Direct Expenses and Generated Income of Individual Activities, July 1, 1965 to June 30, 1966:	
Publications	8
Social and Other Activities	9
Special Committees	10
Special Events and Administration	11
Exhibit C:    PHOTOGRAPHY SERVICE, Statement of Income and Expenses for the Years Ended June 30, 1966 and 1965	12
Exhibit D:    PHOTOGRAPHY SERVICE, Statement of Financial Position, June 30, 1966 and 1965	13

THE ASSOCIATED STUDENTS OF THE UNIVERSITY OF ARIZONA

EXAMINATION REPORT

JULY 1, 1965 TO JUNE 30, 1966

PART I: ACTIVITIES

Financial Summary

The net income of the Activities Section of the Associated Students in the fiscal year 1965-66 was \$31,148. This was \$19,557 more than the comparable net income of \$11,591 earned in the fiscal year 1964-65.

As a result of the 1965-66 net income of \$31,148, the fund balance of the Activities Section of the Association increased from \$54,173 at June 30, 1965 to \$85,321 at June 30, 1966.

The above amounts do not include the financial results of operation of the Photography Service or of the Bookstore. Operating results and financial position of the Photography Service are described in Part II of this report. Operating results and financial position of the Bookstore have been described in a separate report, Number 124, released previously.

Comments on Operating Results

Exhibit A and Schedule 1 show the income and expenses of the Activities Section of the Association as a whole, and Schedules 2 through 5 state the direct expenses and the generated income for each of the activities included in the Activities Section. The following comments relate to those statements.

1965-66 Operating Results Compared with 1964-65

A tabular comparison of total income, total expenses, and net income for the Activities Section in 1965-66 and 1964-65 follows:

	<u>1965-66</u>	<u>1964-65</u>	<u>Increase</u>
Total Income	\$ 369,326	\$ 330,690	\$ 38,636
Total Expenses	<u>338,178</u>	<u>319,099</u>	<u>19,079</u>
<u>Net Income</u>	<u>\$ 31,148</u>	<u>\$ 11,591</u>	<u>\$ 19,557</u>

The above table shows that total income in 1965-66 increased \$38,636 over that earned in 1964-65. The applicable total expenses for 1965-66 only increased \$19,079 resulting in a net increase in net income of \$19,557 over the 1964-65 fiscal year.

Income increases occurred in student activity fees (\$15,888), publication copy sales (\$1,932), publication advertising (\$10,829), transfer from the Bookstore (\$16,044), and other income (\$1,171). Income decreases occurred in entry fees and dues (\$1,891), donations (\$2,251), the transfer from Intercollegiate Athletics (\$1,761), and a decrease of \$1,325 in all other categories of income. Activity fee revenue increased because of enlarged student enrollment. Copy sales and subscriptions of the Wildcat and Desert increased in 1965-66 and the Grid Review copy sales decreased, other publication sales were relatively unchanged. Advertising in the Wildcat increased \$12,834 while advertising in the other publications decreased \$2,005. The Bookstore transferred \$20,000 from its net earnings in 1965-66, an increase of \$16,000 over the \$4,000 that has been transferred for several years. The decrease in entry fees and dues resulted because one less event was held which required the payment of entry fees and dues (Associated Women Students' Convention), and income was somewhat less from the other events. Donation income in 1964-65 included donations collected in prior years and held in reserve. This amount of \$4,342 was donated to F.A.M.E. in 1964-65 and included in the income and expense for 1964-65. The year 1965-66 did not have a comparable item of income. The transfer made by the Department of Intercollegiate Athletics in 1964-65 included an additional \$2,000 for the band. The transfer for the band in 1965-66 was the usual amount.

Expense increases occurred mainly in salaries and wages (\$10,306), printing (\$11,860), and travel (\$6,262). All other expense categories decreased a net total of \$9,349. The increase in salaries and wages reflects merit increases and additional personnel in the administration area (\$6,648), increased wages and commissions paid in the publications area (\$2,436), and \$1,222 in all other areas. Printing cost of the Wildcat increased \$10,270. Small increases in the other activities account for the balance of the increased cost of printing, photography and engraving. The increase in travel occurred in the Band (\$2,286) and Choir (\$3,153). Other increases and decreases in travel were largely offsetting. Donations decreased \$4,723 because of the F.A.M.E. donation mentioned previously.

#### Comments on the Statement of Financial Position

Exhibit B shows the assets, liabilities, reserves and fund balance of the Activities Section of the Associated Students at June 30, 1966, with comparative amounts for June 30, 1965. Comments on certain of the items in the statement of financial position follow.

<u>Cash on Deposit at Business Office</u>	\$ 71,914
<u>Cash in Bank, Central Treasury Fund</u>	\$ 11,915

The cash on deposit at the Business Office June 30, 1966 increased \$24,888 over the balance on deposit June 30, 1965. This increase reflects the net income of \$31,148 reduced by a transfer of \$5,000 to the Central Treasury Fund and other factors affecting the cash flow. The Central Treasury Fund bank account is used to provide advances for travel, change funds, and some petty cash transactions. The Central Treasury fund balance at June 30, 1966 was \$12,000.

<u>Activities Fund Balance</u>	\$ 85,321
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The \$85,321 balance of this account at June 30, 1966 was \$31,148 more than the balance at June 30, 1965. The increase of \$31,148 is the Association's net income for 1965-66 as detailed in Exhibit A and Schedule 1.

## PART II: PHOTOGRAPHY SERVICE

### Financial Summary

The Photography Service's net income in 1965-66 was \$2,963, compared with \$5,544 in 1964-65. As a result of the 1965-66 net income, the retained earnings balance of the Photography Service at June 30, 1966 was \$3,283 compared with a balance of \$320 at June 30, 1965.

### Comments on Operating Results

Exhibit C shows the detail of the income and expenses of the Photography Service in 1965-66, together with comparable amounts for 1964-65.

#### 1965-66 Operating Results Compared with 1964-65

Net sales in 1965-66 totaled \$82,289, an increase of \$19,705, or 31.5% over the net sales of \$62,584 in 1964-65. The increased sales in 1965-66 were processed at a higher cost ratio than in 1964-65, which resulted in an 18.7% gross margin in 1965-66 compared with 26.7% in 1964-65. The gross margin on sales in 1965-66 was \$15,405 compared with \$16,716 in 1964-65, a reduction in gross margin of \$1,311.

Operating expenses in 1965-66 totaled \$12,617, or 15.3% of net sales, compared with \$11,172, or 17.8% of net sales in 1964-65. The dollar increase of \$1,445 in operating expenses in 1965-66 was spread through almost all items of expense. When expressed as a percent of net sales, almost all items of expense decreased in 1965-66 from that recorded in 1964-65.

### Comments on the Statement of Financial Position

Exhibit D shows the assets, liabilities, and fund balance of the Photography Service of the Associated Students at June 30, 1966, with comparable amounts at June 30, 1965. Comments on those items shown in Exhibit D which appears to require additional explanation follow.

#### Business Office Account

\$ (1,274)

At June 30, 1966 the cash deposit account with the Business Office was overdrawn \$1,274, compared with a positive balance of \$2,443 at June 30, 1965. The overdraft was more than covered by accounts receivable of \$4,522, all of which have since been collected. The principal cause of the poor cash position was the increase in the inventory of photographic supplies at June 30, 1966.

#### Inventory of Photography Supplies

\$ 10,233

The estimated inventory of photography supplies on hand June 30, 1966 was \$10,233 an increase of \$5,514 over the \$4,719 inventory at June 30, 1965. The inventory of photography supplies includes items for resale as well as materials for use by the Photography Service itself.

Retained Earnings

At June 30, 1966 the balance in the retained earnings account was \$3,283. The increase of \$2,963 in this account was the net earnings for the year 1965-66.

\$ 3,283

The Associated Students of the University of Arizona

ACTIVITIES

Statement of Income and Expenses  
for the Years Ended June 30, 1966 and 1965

	<u>Year</u> <u>1965-66</u>	<u>Year</u> <u>1964-65</u>	<u>Increase</u> <u>(Decrease)</u>
Income			
Student Activity Fees	\$ 148,733	\$ 132,845	\$ 15,888
Publication Copy Sales and Subscriptions	38,016	36,084	1,932
Publication Advertising	114,259	103,430	10,829
Social and Special Event Ticket Sales	25,914	26,278	364)
Program and Misc. Sales	3,521	4,358	837)
Concession Commissions	0	124	( 124)
Entry Fees and Dues	1,338	3,229	( 1,891)
Donations	8,025	10,276	( 2,251)
Transfer from Intercollegiate Athletics	2,643	4,404	( 1,761)
Transfer from Bookstore	21,385	5,341	16,044
Other Income	<u>5,492</u>	<u>4,321</u>	<u>1,171</u>
<u>Total Income</u>	369,326	330,690	38,636
<u>Total Expenses (Schedule 1)</u>	<u>338,178</u>	<u>319,099</u>	<u>19,079</u>
<u>Net Income</u>	\$ <u>31,148</u>	\$ <u>11,591</u>	\$ <u>19,557</u>

The Associated Students of the University of ArizonaACTIVITIESSchedule of Expenses  
for the Years Ended June 30, 1966 and 1965

<u>Expenses</u>	<u>Year</u> <u>1965-66</u>	<u>Year</u> <u>1964-65</u>	<u>Increase</u> <u>(Decrease)</u>
Salaries and Wages	\$ 67,626	\$ 57,320	\$ 10,306
Scholarships	3,600	4,265	( 665)
Professional Fees	5,332	5,390	( 58)
Office Expenses	7,319	5,354	1,965
Operating Supplies	10,473	13,415	( 2,942)
Awards	6,363	6,492	( 129)
Laundry	543	517	26
Dues and Subscriptions	682	1,448	( 766)
Donations	4,650	9,373	( 4,723)
Entertainment	14,453	17,129	( 2,676)
Insurance	75	1,114	( 1,039)
Publicity	2,909	3,098	( 189)
Rent	5,097	4,826	271
Printing, Photography and Engraving	144,678	132,818	11,860
Payroll Taxes and Retirement	2,861	1,971	890
Food and Banquets	6,536	6,410	126
Repairs	444	466	( 22)
Furniture and Equipment	965	1,644	( 679)
Travel	43,436	37,174	6,262
Business Office Service Charge	1,616	1,526	90
Transfer to Intercollegiate			
Athletics	3,936	5,311	( 1,375)
Other Expenses	<u>4,584</u>	<u>2,038</u>	<u>2,546</u>
<u>Total Expenses (to Exhibit A)</u>	<u>\$ 338,178</u>	<u>\$ 319,099</u>	<u>\$ 19,079</u>

The Associated Students of the University of Arizona

ACTIVITIES

Statement of Financial Position  
June 30, 1966 and 1965

	<u>June 30</u> <u>1966</u>	<u>June 30</u> <u>1965</u>	<u>Increase</u> <u>(Decrease)</u>
<u>Assets</u>			
<u>Current Assets</u>			
Cash on Dep. at Business Office	\$ 71,914	\$ 47,026	\$ 24,888
Cash in Bank, Central Treasury Fund	11,915	7,398	4,517
Change and Petty Cash Funds	600	400	200
Accounts Receivable	5,021	2,966	2,055
Advances for Travel, etc.	1,279	944	335
American Airlines Deposit	425	425	0
Deferred Charges	<u>260</u>	<u>173</u>	<u>87</u>
<u>Total Current Assets</u>	<u>91,414</u>	<u>59,332</u>	<u>32,082</u>
<u>Organization Banking Facility Fund</u>			
Cash in Bank	9,441	8,296	1,145
Less: Deposits of Campus Organizations	7,500	7,617	( 117)
Less: Advance from Central Treasury Fund	<u>1,000</u>	<u>0</u>	<u>1,000</u>
<u>Net Fund Balance</u>	<u>941</u>	<u>679</u>	<u>262</u>
<u>Total Assets</u>	<u>92,355</u>	<u>60,011</u>	<u>32,344</u>
<u>Liabilities, Reserves and Fund Balances</u>			
<u>Current Liabilities</u>			
Accounts Payable	3,874	2,924	950
Reserve for Future Donations	0	50	( 50)
Deferred Income	<u>131</u>	<u>188</u>	<u>( 57)</u>
<u>Total Current Liabilities</u>	<u>4,005</u>	<u>3,162</u>	<u>843</u>
<u>Reserves</u>			
Central Treasury Fund	2,088	1,997	91
Organizations Banking Facility Fund	<u>941</u>	<u>679</u>	<u>262</u>
<u>Total Reserves</u>	<u>3,029</u>	<u>2,676</u>	<u>353</u>
<u>Activities Fund Balance</u>	<u>85,321</u>	<u>54,173</u>	<u>31,148</u>
<u>Total Liabilities, Reserves, and Fund Balance</u>	<u>\$ 92,355</u>	<u>\$ 60,011</u>	<u>\$ 32,344</u>

## The Associated Students of the University of Arizona

PUBLICATIONSStatement of Direct Expenses and Generated Income  
July 1, 1965 to June 30, 1966

	<u>Wildcat</u>	<u>Desert</u>	<u>Student Hand- Book</u>	<u>Grid Review</u>	<u>Ananke</u>	<u>Student Direct- ory</u>	<u>Public- ations Reserve</u>	<u>Total Public- ations</u>
<u>Direct Expenses</u>								
Salaries, Wages & Commissions	\$18,275	\$ 2,558	\$	\$ 884	\$ 150	\$	\$	\$ 21,867
Office Expense	2,487	54		4				2,545
Operating Supps.	1,682	101	2	365		26	131	2,307
Awards	9	13					147	169
Dues & Subscrip.	197	27					3	227
Publicity	341	32						373
Printing, Photog., Engraving	80,009	31,266	6,195	10,432	1,518	6,783	12	136,215
Food & Banquets	0	72		0			315	387
Repairs	51	50		0				101
Travel	1,124	41	6	10		23		1,204
Furn. & Fix.	287			61				348
Transfer to Inter- coll. Athl.	0			3,936				3,936
Entertainment	0	125						125
Other Expenses	45	82						127
<u>Total Direct Expenses</u>	<u>104,507</u>	<u>34,421</u>	<u>6,203</u>	<u>15,692</u>	<u>1,668</u>	<u>6,832</u>	<u>608</u>	<u>169,931</u>
<u>Income Generated by the Activity</u>								
Copy Sales and Subscrip.	5,176	22,051	0	7,354	404	2,749	282	38,016
Advertising	92,828		2,671	10,803	0	7,912	45	114,259
Ticket Sales	0	89	0	0	0	0	0	89
<u>Total Income Generated by the Activity</u>	<u>98,004</u>	<u>22,140</u>	<u>2,671</u>	<u>18,157</u>	<u>404</u>	<u>10,661</u>	<u>327</u>	<u>152,364</u>
<u>Net Added to (or Drawn from) Assoc. Stud. Actv'y. Fees</u>								
	<u>\$(6,503)</u>	<u>\$(12,281)</u>	<u>\$(3,532)</u>	<u>\$2,465</u>	<u>\$(1,264)</u>	<u>\$3,829</u>	<u>\$(281)</u>	<u>\$(17,567)</u>

## The Associated Students of the University of Arizona

## SOCIAL AND OTHER ACTIVITIES

Statement of Direct Expenditures and Generated Income  
July 1, 1965 to June 30, 1966

	Assoc. Women Students	Band	Orchestra	Choir	Livestock Judging	Rodeo	Rifle Team	Women's Recr. Assoc.	Forensica	Air Force R O T C Drill Team	Army R O T C Drill Team	Tot. Social And Other
<u>Direct Expenses</u>												
Salaries and Wages	\$ 600	\$ 1,200		\$ 324		\$ 205		\$ 1,250				\$ 3,579
Scholarships		3,600										3,600
Professional Fees		150				454		23				627
Office Expense	130	219		7		4		238				598
Operating Supplies	421	846	\$ 12	3		306	\$ 78	2,029				3,695
Awards	41	946		3		1,126	6	504				2,626
Laundry		314	128	101								543
Dues and Subscriptions	30					140	99	71				340
Entertainment	120					150		125				395
Insurance						19						19
Publicity	1					679						680
Rent	222	36				2,139		286				2,683
Printing, Photog., Engraving	1,449	243	41	33		101	5	125				1,998
Food and Banquets	724	545				146		615				2,030
Repairs	34	23						39				96
Travel	638	12,537	2,560	3,907	\$ 1,500	1,657	56	3,488	\$ 5,197	\$ 716	\$ 267	32,523
Other Expenses	272					50		415				737
<u>Total Direct Expenses</u>	<u>4,682</u>	<u>20,659</u>	<u>2,742</u>	<u>4,378</u>	<u>1,500</u>	<u>7,176</u>	<u>244</u>	<u>9,208</u>	<u>5,197</u>	<u>716</u>	<u>267</u>	<u>56,769</u>
<u>Income Generated by the Activity</u>												
Ticket Sales	392					1,930		525				2,847
Program Sales						97						97
Miscellaneous Sales	22											22
Donations						1,479						1,479
Transfer from I.C.A.		2,000										2,000
Entry Fees and Dues						125			341			466
Other Income	49	50				19		137				255
<u>Total Income Generated by the Activity</u>	<u>463</u>	<u>2,050</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,650</u>	<u>0</u>	<u>662</u>	<u>341</u>	<u>0</u>	<u>0</u>	<u>7,166</u>
<u>Net Added to (or Drawn from) Associated Students Activity Fees</u>	<u>\$ (4,219)</u>	<u>\$ (18,609)</u>	<u>\$ (2,742)</u>	<u>\$ (4,378)</u>	<u>\$ (1,500)</u>	<u>\$ (3,526)</u>	<u>\$ (244)</u>	<u>\$ (8,546)</u>	<u>\$ (4,856)</u>	<u>\$ (716)</u>	<u>\$ (267)</u>	<u>\$ (49,603)</u>

## The Associated Students of the University of Arizona

SPECIAL COMMITTEESStatement of Direct Expenditures and Generated Income  
July 1, 1965 to June 30, 1966

	Senate Approp. Board	Academic	Speakers Board	Community Service	Camp Wildcat	Elections	Publicity	Public Relations	Social	Traditions	Student Gov't.	Course Evaluation	Total Committees
<u>Direct Expenses</u>													
Salaries and Wages						\$ 135			\$ 415		\$ 2,800		\$ 3,350
Office Expenses	\$ 121		\$ 39		\$ 5			\$ 9	8	\$ 11	257		450
Operating Supplies	278				259	4	\$ 507	2	38	1,981	17	\$ 24	3,110
Awards		\$ 22		\$ 25					33	643	1,319		2,042
Dues and Subscriptions					14								14
Rent					10				1,102	5	2		1,119
Print., Photo., Engraving	244		11	36	15	67		66	360	53	234	141	1,227
Food and Banquets	234	3	51	10	41			529	213	292	287		1,660
Entertainment								208	260	80			548
Professional Services			3,468										3,468
Donations	750			3,900									4,650
Repairs										64	67		131
Travel	6,525			13	157			440		1,013	544		8,692
Other Expenses	56				2,401	789			116	85		38	3,485
<u>Total Direct Expenses</u>	<u>8,208</u>	<u>25</u>	<u>3,569</u>	<u>3,984</u>	<u>2,902</u>	<u>995</u>	<u>507</u>	<u>1,254</u>	<u>2,545</u>	<u>4,227</u>	<u>5,527</u>	<u>203</u>	<u>33,946</u>
<u>Income</u>													
Ticket Sales					2,237				650				2,887
Miscellaneous Sales	84				361					2,582			3,027
Donations				3,675	2,871								6,546
Other Income				248	262								510
<u>Total Income Generated</u> <u>by the Activity</u>	<u>84</u>	<u>0</u>	<u>0</u>	<u>3,923</u>	<u>5,731</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>650</u>	<u>2,582</u>	<u>0</u>	<u>0</u>	<u>12,970</u>
<u>Net Added to (or Drawn From)</u> <u>Associated Students Activity</u> <u>Fees</u>	<u>\$(8,124)</u>	<u>\$(25)</u>	<u>\$(3,569)</u>	<u>\$( 61)</u>	<u>\$ 2,829</u>	<u>\$(995)</u>	<u>\$(507)</u>	<u>\$(1,254)</u>	<u>\$(1,895)</u>	<u>\$(1,645)</u>	<u>\$(5,527)</u>	<u>\$(203)</u>	<u>\$(20,976)</u>

The Associated Students of the University of Arizona

Schedule 5

SPECIAL EVENTS AND ADMINISTRATION

Statement of Direct Expenditures and Generated Income  
July 1, 1965 and June 30, 1966

	Home- coming	Parents Day	High School Senior Day	Student Religion Council	Men's Night	Ariz. Inv. Tennis Tourn.	Ariz. Open Tennis Tourn.	People to People	Concert Productions	Administration	Total Special Events and Administration
<u>Direct Expenses</u>											
Salaries and Wages									\$ 91	\$ 38,739	\$ 38,830
Professional Fees				\$ 1,200					37		1,237
Office Expenses		\$ 1,867						\$ 11	8	1,840	3,726
Operating Supplies			\$ 163		\$ 9	\$ 136	\$ 610	30	413	413	1,361
Awards	\$ 653				13	106	681	13		60	1,526
Dues and Subscriptions							15	25	8	53	101
Insurance										56	56
Publicity			44						1,812		1,856
Entertainment			60					80	13,245		13,385
Rent						127			807	361	1,295
Print., Photog., Engraving	132	74		15	48			51	62	4,856	5,238
Payroll Taxes and Retirement										2,861	2,861
Food and Banquets	27		1,083	300	370	279		212		188	2,459
Repairs										116	116
Furn. and Equipment										617	617
Travel	15	48	35		125			119		675	1,017
Bus. Office Service Chg.										1,616	1,616
Other Expenses	92								134	9	235
<u>Total Direct Expenses</u>	<u>919</u>	<u>1,989</u>	<u>1,385</u>	<u>1,515</u>	<u>565</u>	<u>648</u>	<u>1,306</u>	<u>541</u>	<u>16,204</u>	<u>52,460</u>	<u>77,532</u>
<u>Income Generated by the Activity</u>											
Ticket Sales									20,091		20,091
Entry Fees							872				872
Transfer from I.C.A.						417	226				643
Transfer from Bookstore			1,385							20,000	21,385
Miscellaneous Sales										375	375
Other Income					647			118		3,962	4,727
<u>Total Income Generated by The Activity</u>	<u>0</u>	<u>0</u>	<u>1,385</u>	<u>0</u>	<u>647</u>	<u>417</u>	<u>1,098</u>	<u>118</u>	<u>20,091</u>	<u>24,337</u>	<u>48,093</u>
<u>Net Added to (or Drawn from) Associated Students Activity Fees</u>	<u>\$ (919)</u>	<u>\$ (1,989)</u>	<u>\$ 0</u>	<u>\$ (1,515)</u>	<u>\$ 82</u>	<u>\$ (231)</u>	<u>\$ (208)</u>	<u>\$ (423)</u>	<u>\$ 3,887</u>	<u>\$ (28,123)</u>	<u>\$ (29,439)</u>

The Associated Students of the University of Arizona

PHOTOGRAPHY SERVICE

Statement of Income and Expenses  
for the Years Ended June 30, 1966 and 1965

	1965-66		1964-65		Amount
	Amount	% of Income	Amount	% of Income	Increase (Decrease)
Sales	\$ 83,934		\$ 62,939		\$ 20,995
Less: Billing Adjustment to A.S.U.A.	1,645		355		1,290
<u>Net Sales</u>	<u>82,289</u>	<u>100.0</u>	<u>62,584</u>	<u>100.0</u>	<u>19,705</u>
<u>Cost of Sales</u>					
Inventory, Beginning	4,719		2,527		
Purchases and Purchased Services	47,241		27,836		
<u>Total</u>	<u>51,960</u>		<u>30,363</u>		
Inventory, Ending	10,233		4,719		
Cost of Material and Services	41,727	50.7	25,644	41.0	16,083
Salaries and Wages	25,157	30.6	20,224	23.3	4,933
<u>Total Cost of Sales</u>	<u>66,884</u>	<u>81.3</u>	<u>45,868</u>	<u>73.3</u>	<u>21,016</u>
<u>Gross Margin on Sales</u>	<u>15,405</u>	<u>18.7</u>	<u>16,716</u>	<u>26.7</u>	<u>( 1,311)</u>
<u>Operating Expenses</u>					
Office Salary	3,174	3.9	3,096	4.9	78
Office Expenses	678	.8	492	.8	186
Operating Supplies & Expend. Equip.	213	.3	0	.0	213
Laundry	108	.1	104	.2	4
Payroll Taxes and Retirement	2,246	2.7	1,677	2.7	569
Publicity	514	.6	535	.8	( 21)
Repairs	764	.9	418	.7	346
Depreciation of Furn. & Equip.	3,304	4.0	3,374	5.4	70)
Amortization of Bldg. Alterations	1,189	1.5	1,189	1.9	0
Insurance	7	.0	0	.0	7
Bus. Office Service Charge	420	.5	287	.4	133
<u>Total Operating Expenses</u>	<u>12,617</u>	<u>15.3</u>	<u>11,172</u>	<u>17.8</u>	<u>1,445</u>
<u>Operating Income</u>	2,788	3.4	5,544	8.9	( 2,756)
<u>Other Income</u>	175	.2	0	.0	175
<u>Net Income</u>	\$ 2,963	3.6	\$ 5,544		\$ ( 2,581)

