

UNIVERSITY OF ARIZONA  
ASSOCIATED STUDENTS BOOKSTORES  
REPORT OF EXAMINATION  
JULY 1, 1968 TO JUNE 30, 1969

Report No. 158

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for the Arizona Board of Regents

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UNIVERSITY OF ARIZONA  
ASSOCIATED STUDENTS BOOKSTORES  
REPORT OF EXAMINATION

To the Arizona Board of Regents:

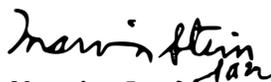
The report covering our examination of the Associated Students Bookstores of the University of Arizona for the fiscal year ended June 30, 1969 is presented herewith.

The bookstore operates three stores with separate records and accounts maintained for each store. Our examination has included the operation of the three stores and the statements contained herein include the combined operating results as well as individual results for each of the three stores.

Respectfully submitted,



E. Q. Scully  
Examiner



Marvin Stein  
Supervising Examiner

December 18, 1969

COMMENTS ON ACCOUNTING PROCEDURES

Our examination of the accounting records of the three stores found them in good order. Procedural problems were discussed with the manager during the course of the examination.

UNIVERSITY OF ARIZONA  
ASSOCIATED STUDENTS BOOKSTORES  
CONSOLIDATED STATEMENT OF INCOME AND EXPENSES  
FOR THE YEARS ENDED JUNE 30, 1969 AND 1968

	<u>1968-69</u>		<u>1967-68</u>		Amount Increase (Decrease)
	<u>Amount</u>	<u>% of Net Sales</u>	<u>Amount</u>	<u>% of Net Sales</u>	
NET SALES	<u>\$1,731,987</u>	100.0	<u>\$1,632,574</u>	100.0	\$ 99,413
COST OF GOODS SOLD					
Inventory, beginning	430,456		392,773		
Purchases (incl. trans.)	<u>1,409,894</u>		<u>1,255,908</u>		
Total	<u>1,840,350</u>		<u>1,648,681</u>		
Inventory, ending	<u>543,211</u>		<u>430,455</u>		
Cost of goods sold	<u>1,297,139</u>	<u>74.9</u>	<u>1,218,226</u>	<u>74.6</u>	<u>78,913</u>
Gross margin on sales	434,848	25.1	414,348	25.4	20,500
Total Operating Expenses (See schedule 1)	<u>324,285</u>	<u>18.7</u>	<u>290,501</u>	<u>17.8</u>	<u>33,784</u>
NET OPERATING INCOME	<u>110,563</u>	<u>6.4</u>	<u>123,847</u>	<u>7.6</u>	<u>( 13,284)</u>
OTHER INCOME					
Xerox rentals	10,839		9,125		
Xerox expense	<u>6,552</u>		<u>6,647</u>		
Net Xerox income	4,287		2,478		1,809
Interest income	1,859		792		1,067
Class ring commissions	<u>2,856</u>		<u>-</u>		<u>2,856</u>
Net other income	<u>9,002</u>	<u>.5</u>	<u>3,270</u>	<u>.2</u>	<u>5,732</u>
Income before transfer	119,565	6.9	127,117	7.8	( 7,552)
Transfer to activities	<u>42,365</u>	<u>2.4</u>	<u>32,262</u>	<u>2.0</u>	<u>10,103</u>
Added to retained earnings	<u>\$ 77,200</u>	<u>4.5</u>	<u>\$ 94,855</u>	<u>5.8</u>	<u>\$ ( 17,655)</u>

SCHEDULE 1

UNIVERSITY OF ARIZONA  
ASSOCIATED STUDENTS BOOKSTORES  
CONSOLIDATED SCHEDULE OF OPERATING EXPENSES  
FOR THE YEARS ENDED JUNE 30, 1969 AND 1968

	1968-69		1967-68		Amount Increase (Decrease)
	Amount	% of Net Sales	Amount	% of Net Sales	
OPERATING EXPENSES					
Salaries	\$ 55,843	3.3	\$ 57,291	3.5	\$( 1,448)
Wages	173,036	9.9	145,508	8.7	27,528
Office expense & supplies	17,306	1.0	16,482	1.0	824
Utilities	3,342	.1	4,054	.2	( 712)
Dues & subscriptions	935	.1	471	-	464
Insurance	2,449	.1	2,333	.1	116
Payroll taxes & retirement	16,709	.9	12,370	.8	4,339
Advertising	9,616	.6	9,836	.6	( 220)
Repairs and maintenance	5,662	.3	7,061	.4	( 1,399)
Travel	478	.1	329	.1	149
Depreciation of buildings	12,501	.7	12,501	.8	-
Depreciation of equipment	15,274	.8	12,908	.8	2,366
Business office service charge	9,536	.5	7,699	.5	1,837
Bad debt expense	292	.1	487	.1	( 195)
Cash (over) short	270	.1	287	-	( 17)
Other expenses	1,036	.1	884	.2	152
Total Operating Expenses (to Exhibit A)	<u>\$324,285</u>	<u>18.7</u>	<u>\$290,501</u>	<u>17.8</u>	<u>\$ 33,784</u>