



BURSAR'S REPORT YEAR ENDED APRIL 30, 2019

Audited Financial Statements

There were no changes in accounting standards this year.

Construction-in-progress expenditures were reclassified from unrestricted net assets to invested in capital assets. Besides this reclassification, the presentation of the audited financial statements is in substantially the same form as last year.

Statement of Financial Position (Balance Sheet)

Total assets of \$130.2 million increased by \$5.7 million, 4.6% mainly as a result of increase in value of investments, pension asset and construction-in-progress.

Total liabilities of \$26.5 million increased by \$1.4 million, 5.6% mainly as a result of increase in accounts payable and accrued liabilities and post-employment health plan liability.

Total net assets of \$103.6 million increased by \$4.3 million, 4.3% mainly as a result of endowed donations and change in employee future benefits.

Statement of Operations

The year saw revenues increase by 3.1%, largely the impact of the increase in student fees and bequests. Expenses increased by 7.3% and were in line with budget. The result is a deficit before investment income of \$3.1 million, up \$1 million from the previous year (a deficit of \$2.1 million). Factoring in investment income of \$3.7 million, the College's surplus on an accounting basis was \$573,000, compared to a deficit of \$1.0 million for prior year.

Supplementary Financial Schedules

The enclosed supplementary schedules are not audited, but correspond to the audited financial statements wherever possible.

Five-year Financial Highlights - Operations (Schedule 1):

This schedule translates the accounting figures into the financial model used by the College for planning and budget purposes.

Cash inflow (outflow), a rough measure of the cash impact of operations on the Unrestricted Net Assets, was (\$3.6) million for 2018-19 compared to (\$810,000) in prior year. The increase in cash outflow during the current year is attributable additional capital spending and increase in operating deficit.

Five-year Financial Highlights – Balance Sheet (Schedule 2):

This schedule provides a five-year history of major asset and liability classes.

Statement of Operations – Detail (Schedule 3):

This schedule breaks down the components of operations, and discloses the significant positive contribution from Ancillary (residence) activities. The restricted funds column nets to zero by definition, as income is recorded only in sufficient amounts to cover corresponding spending for restricted purposes.

Schedule

- 1 Five-year Financial Highlights – Operations
- 2 Five-year Financial Highlights – Balance Sheet
- 3 Statement of Operations – Detail

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Bursar & CAO

October 3, 2019

SCHEDULE 1

FIVE-YEAR FINANCIAL HIGHLIGHTS - OPERATIONS
(AS AT APRIL 30)
(\$000s)

	2014-15	2015-16	2016-17	2017-18	2018-19
	\$	\$	\$	\$	\$
Revenue					
Fees	6,164	6,488	6,789	7,338	7,619
Grants	3,377	3,374	3,646	3,625	3,542
Revenue for restricted purposes	3,923	4,014	4,027	4,053	4,193
Sales & services	2,579	2,835	2,997	2,934	2,857
Annual fund donations & bequests	1,056	2,119	1,059	974	1,299
	<u>17,099</u>	<u>18,830</u>	<u>18,518</u>	<u>18,924</u>	<u>19,510</u>
Expenses					
Salaries and wages	7,814	8,527	8,900	9,402	10,233
Future benefits (pension, health)	1,262	1,193	1,364	1,221	1,345
Current benefits	958	1,001	1,034	1,163	1,247
Supplies and services	1,943	1,895	1,870	2,269	2,239
Repairs and maintenance	810	897	947	685	760
Utilities	706	678	742	808	737
Amortization of capital assets	1,680	1,622	1,674	1,755	1,839
Student awards	1,117	1,098	1,159	1,046	1,200
Food services and catering	2,187	2,359	2,472	2,719	3,002
	<u>18,477</u>	<u>19,270</u>	<u>20,162</u>	<u>21,068</u>	<u>22,602</u>
Deficit before investment income	(1,378)	(440)	(1,644)	(2,144)	(3,092)
Investment income (loss)	3,049	(326)	6,260	1,127	3,665
Surplus (deficit) - accounting basis	<u>1,671</u>	<u>(766)</u>	<u>4,616</u>	<u>(1,017)</u>	<u>573</u>
Less: Unrestricted bequests	(256)	(1,179)	(253)	(189)	(501)
Add: Campaign expenses					122
Adjustment for long-term capital preservation	(1,494)	1,961	(4,608)	613	(1,829)
Net income (loss) - budget basis	<u>(80)</u>	<u>16</u>	<u>(245)</u>	<u>(593)</u>	<u>(1,635)</u>
Cash used in operations and for capital purchases					
Net income (loss) - budget basis	(80)	16	(245)	(593)	(1,635)
Add back: non-cash operating items					
Post-retirement benefits expense	1,262	1,117	1,364	1,221	1,345
Incr. (decr.) vacation & lieu time accrual	(9)	(74)	1	63	125
Amortization, net	615	607	645	704	828
Less: cash outlays					
Pension and retirement contributions	(972)	(877)	(1,055)	(1,062)	(1,120)
Cash inflow (outflow)	<u>816</u>	<u>789</u>	<u>710</u>	<u>333</u>	<u>(457)</u>
Capital purchases	(447)	(306)	(446)	(965)	(1,208)
Construction in progress	--	--	(224)	(178)	(1,839)
Campaign costs	--	--	--	--	(122)
Net cash inflow (outflow)	<u>369</u>	<u>483</u>	<u>40</u>	<u>(810)</u>	<u>(3,626)</u>

SCHEDULE 2

**FIVE-YEAR FINANCIAL HIGHLIGHTS - BALANCE SHEET
(AS AT APRIL 30)
(\$000s)**

	2015	2016	2017	2018	2019
	\$	\$	\$	\$	\$
Assets					
Current assets	834	547	2,476	2,157	1,511
Investments	90,732	87,626	96,764	103,338	106,137
Pension asset	2,847	1,544	4,187	2,758	4,902
Capital assets	15,428	16,019	16,343	16,211	17,604
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Total Assets	109,841	105,736	119,770	124,464	130,154
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Liabilities					
Current liabilities	1,890	2,187	2,166	2,264	3,288
Post-employment health plan liability	6,957	7,301	6,442	7,041	7,366
Loan payable	153	131	109	87	65
Deferred contributions	7,002	7,755	5,847	6,357	7,209
Deferred capital contributions	8,312	7,474	9,485	9,398	8,592
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	24,314	24,848	24,049	25,147	26,520
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Net Assets					
Capital assets	6,451	6,150	5,951	6,704	8,925
Endowments	57,279	54,813	61,218	67,700	69,400
Unrestricted net assets	21,797	19,925	28,552	24,913	25,309
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	85,527	80,888	95,721	99,317	103,634
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Total Liabilities and Net Assets	109,841	105,736	119,770	124,464	130,154
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SCHEDULE 3

STATEMENT OF OPERATIONS - DETAIL
YEAR ENDED APRIL 30, 2019
(\$000s)

	General	Ancillary	Restricted	Total 2018-19	Total 2017-18
REVENUE					
Student Fees	510	7,109		7,619	7,338
Grants - University of Toronto	3,238			3,238	3,243
Government Grants	304			304	382
Unrestricted donations & bequests	1,299			1,299	974
Revenue for restricted purposes			3,182	3,182	3,002
Sales and services	846	2,011		2,857	2,934
Amortization of deferred capital contributions	1,011			1,011	1,051
	<u>7,208</u>	<u>9,120</u>	<u>3,182</u>	<u>19,510</u>	<u>18,924</u>
EXPENDITURE					
Salaries and benefits	9,960	2,664	201	12,825	11,786
Supplies and services	1,598	353	288	2,239	2,269
Repairs and maintenance	210	549	1	760	685
Utilities	295	442		737	808
Amortization of capital assets	1,405	434		1,839	1,755
Student awards	7		1,193	1,200	1,046
Offsets to operating revenue/expenses	(1,499)		1,499	0	0
Food service and catering		3,002		3,002	2,719
	<u>11,976</u>	<u>7,444</u>	<u>3,182</u>	<u>22,602</u>	<u>21,068</u>
NET before investment income	(4,768)	1,676	0	(3,092)	(2,144)
INVESTMENT INCOME (LOSS)	3,665			3,665	1,127
NET (accounting basis)	(1,103)	1,676	0	573	(1,017)
ALLOCATION OF BEQUESTS	(501)			(501)	(189)
CAMPAIGN EXPENSES	122			122	
ALLOCATION from (to) UNRESTRICTED NET ASSETS	(1,829)			(1,829)	613
NET INCOME (LOSS) 2018-19	(3,311)	1,676	0	(1,635)	
NET INCOME (LOSS) 2017-18	(2,696)	2,103	0		(593)