



## **BURSAR'S REPORT YEAR ENDED APRIL 30, 2020**

### Audited Financial Statements

There were two changes in accounting standards this year:

- i. Section 4433, Tangible capital assets held by not-for-profit organizations of CPA Canada Handbook – Accounting (the “Handbook”) was adopted prospectively. The guidelines require capital assets to be separated into significant component parts and each component to be amortized in accordance with their useful lives. Partial impairments on tangible capital assets will now need to be considered.
- ii. Section 4441, Collections held by not-for-profit organizations of the Handbook was also adopted prospectively during the year. Collections will continue to be recorded at a nominal value.

The changes do not have a material impact on the financial statements.

Deferred revenues were reclassified from accounts payable and accrued liabilities and accounts receivable and presented separately. 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 \$131 million increased slightly by \$523,000, less than 1% mainly as a result of the increase in accounts receivable, capital assets and construction-in-progress.

Total liabilities of \$30.6 million increased by \$3.8 million, 14% mainly as a result of the increase in deferred revenue and deferred contributions.

Total net assets of \$100.4 million decreased by \$3.2 million, 3.1% mainly as a result of negative indexation applied to endowment net assets and the year's operating deficit.

### Statement of Operations

Although the pandemic caused significant disruptions and revenue losses (residences, food service, events) for the College from mid-March through the end of the fiscal year, the year's revenues were 5% higher than prior year mainly due to increased bequests, grants from University of Toronto and restricted revenue. Expenses increased 3.2% and were in line with budget. The result is a deficit before investment income is \$2.8 million, slightly down from the previous year (a deficit of \$3.1 million). Factoring in investment income of \$3.2 million, the College's surplus on an accounting basis was \$390,000, compared to \$573,000 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 Unrestricted Net Assets, was a \$3.9 million outflow for 2019-20 compared to \$3.6 outflow in the prior year, the difference attributable to additional capital spending.

### 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

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|---|--|
| 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 9, 2020

**SCHEDULE 1**

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

	2015-16	2016-17	2017-18	2018-19	2019-20
	\$	\$	\$	\$	\$
<b>Revenue</b>					
Fees	6,488	6,789	7,338	7,619	7,568
Grants	3,374	3,646	3,625	3,542	3,836
Revenue for restricted purposes	4,014	4,027	4,053	4,193	4,445
Sales & services	2,835	2,997	2,934	2,857	2,934
Annual fund donations & bequests	2,119	1,059	974	1,299	1,708
	<u>18,830</u>	<u>18,518</u>	<u>18,924</u>	<u>19,510</u>	<u>20,491</u>
<b>Expenses</b>					
Salaries and wages	8,527	8,900	9,402	10,233	10,292
Future benefits (pension, health)	1,193	1,364	1,221	1,345	1,353
Current benefits	1,001	1,034	1,163	1,247	1,275
Supplies, services and systems	1,895	1,870	2,269	2,239	2,611
Repairs and maintenance	897	947	685	760	842
Utilities	678	742	808	737	822
Amortization of capital assets	1,622	1,674	1,755	1,839	1,922
Student awards	1,098	1,159	1,046	1,200	1,216
Food services and catering	2,359	2,472	2,719	3,002	3,002
	<u>19,270</u>	<u>20,162</u>	<u>21,068</u>	<u>22,602</u>	<u>23,335</u>
<b>Deficit before investment income</b>	(440)	(1,644)	(2,144)	(3,092)	(2,844)
<b>Investment income (loss)</b>	<u>(326)</u>	<u>6,260</u>	<u>1,127</u>	<u>3,665</u>	<u>3,234</u>
<b>Surplus (deficit) - accounting basis</b>	<u>(766)</u>	<u>4,616</u>	<u>(1,017)</u>	<u>573</u>	<u>390</u>
<b>Less: Unrestricted bequests</b>	(1,179)	(253)	(189)	(501)	(965)
<b>Add: Campaign expenses</b>				122	80
<b>Adjustment for long-term capital preservation</b>	<u>1,961</u>	<u>(4,608)</u>	<u>613</u>	<u>(1,829)</u>	<u>(1,060)</u>
<b>Net income (loss) - budget basis</b>	<u>16</u>	<u>(245)</u>	<u>(593)</u>	<u>(1,635)</u>	<u>(1,555)</u>
<b>Cash used in operations and for capital purchases</b>					
Net income (loss) - budget basis	16	(245)	(593)	(1,635)	(1,555)
<b>Add back: non-cash operating items</b>					
Post-retirement benefits expense	1,117	1,364	1,221	1,345	1,353
Incr. (decr.) vacation & lieu time accrual	(74)	1	63	125	(95)
Amortization, net	607	645	704	828	992
<b>Less: cash outlays</b>					
Pension and retirement contributions	(877)	(1,055)	(1,062)	(1,120)	(1,207)
<b>Cash inflow (outflow)</b>	<u>789</u>	<u>710</u>	<u>333</u>	<u>(457)</u>	<u>(512)</u>
<b>Capital purchases</b>	(306)	(446)	(965)	(1,208)	(722)
<b>Construction in progress</b>	--	(224)	(178)	(1,839)	(2,619)
<b>Campaign costs</b>	--	--	--	(122)	(80)
<b>Net cash inflow (outflow)</b>	<u>483</u>	<u>40</u>	<u>(810)</u>	<u>(3,626)</u>	<u>(3,933)</u>

**SCHEDULE 2**

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

	2016 \$	2017 \$	2018 \$	2019 \$	2020 \$
<b>Assets</b>					
Current assets	547	2,476	2,157	1,812	2,361
Investments	87,626	96,764	103,338	106,137	105,190
Pension asset	1,544	4,187	2,758	4,902	4,069
Capital assets	16,019	16,343	16,211	17,604	19,358
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<b>Total Assets</b>	<b>105,736</b>	<b>119,770</b>	<b>124,464</b>	<b>130,455</b>	<b>130,978</b>
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<b>Liabilities</b>					
Current liabilities	2,187	2,166	2,264	3,589	5,012
Post-employment health plan liability	7,301	6,442	7,041	7,366	6,989
Loan payable	131	109	87	65	43
Deferred contributions	7,755	5,847	6,357	7,209	10,511
Deferred capital contributions	7,474	9,485	9,398	8,592	8,021
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	<b>24,848</b>	<b>24,049</b>	<b>25,147</b>	<b>26,821</b>	<b>30,576</b>
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<b>Net Assets</b>					
Capital assets	6,150	5,951	6,704	8,925	11,272
Internally restricted	--	--	--	--	962
Endowments	54,813	61,218	67,700	69,400	66,088
Unrestricted net assets	19,925	28,552	24,913	25,309	22,080
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	<b>80,888</b>	<b>95,721</b>	<b>99,317</b>	<b>103,634</b>	<b>100,402</b>
<hr/>					
<b>Total Liabilities and Net Assets</b>	<b>105,736</b>	<b>119,770</b>	<b>124,464</b>	<b>130,455</b>	<b>130,978</b>
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**SCHEDULE 3**

**STATEMENT OF OPERATIONS - DETAIL**  
**YEAR ENDED APRIL 30, 2020**  
**(\$000s)**

	General	Ancillary	Restricted	<b>Total 2019-20</b>	Total 2018-19
<b>REVENUE</b>					
Student Fees	895	6,673		<b>7,568</b>	7,619
Grants - University of Toronto	3,444			<b>3,444</b>	3,238
Government Grants	392			<b>392</b>	304
Unrestricted donations & bequests	1,708			<b>1,708</b>	1,299
Revenue for restricted purposes			3,515	<b>3,515</b>	3,182
Sales and services	824	2,110		<b>2,934</b>	2,857
Amortization of deferred capital contributions	930			<b>930</b>	1,011
	<u>8,193</u>	<u>8,783</u>	<u>3,515</u>	<b><u>20,491</u></b>	<u>19,510</u>
<b>EXPENDITURE</b>					
Salaries and benefits	9,611	2,941	368	<b>12,920</b>	12,825
Supplies and services	1,862	360	389	<b>2,611</b>	2,239
Repairs and maintenance	202	640		<b>842</b>	760
Utilities	298	524		<b>822</b>	737
Amortization of capital assets	1,506	416		<b>1,922</b>	1,839
Student awards	14		1,202	<b>1,216</b>	1,200
Offsets to operating revenue/expenses	(1,556)		1,556	<b>0</b>	0
Food service and catering		3,002		<b>3,002</b>	3,002
	<u>11,937</u>	<u>7,883</u>	<u>3,515</u>	<b><u>23,335</u></b>	<u>22,602</u>
<b>NET before investment income</b>	(3,744)	900	0	<b>(2,844)</b>	(3,092)
<b>INVESTMENT INCOME (LOSS)</b>	3,234			<b>3,234</b>	3,665
<b>NET (accounting basis)</b>	(510)	900	0	<b>390</b>	573
<b>ALLOCATION OF BEQUESTS</b>	(965)			<b>(965)</b>	(501)
<b>CAMPAIGN EXPENSES</b>	80			<b>80</b>	122
<b>ALLOCATION from (to)</b>					
<b>UNRESTRICTED NET ASSETS</b>	(1,060)			<b>(1,060)</b>	(1,829)
<b>NET INCOME (LOSS)</b>	<b>(2,455)</b>	<b>900</b>	<b>0</b>	<b>(1,555)</b>	
<b>NET INCOME (LOSS) 2018-19</b>	<u>(3,311)</u>	<u>1,676</u>	<u>0</u>		<u>(1,635)</u>