



TRINITY COLLEGE

BURSAR'S REPORT YEAR ENDED APRIL 30, 2016

AUDITED FINANCIAL STATEMENTS

There were no changes in accounting standards this year. The presentation of the audited financial statements is in substantially the same form as last year.

Statement of Financial Position (Balance Sheet)

The College's main financial asset is the investment portfolio, which was valued at \$87.6 million at April 30, 2016, down 3.4% from a balance of \$90.7 million at April 30, 2015. While the investment portfolio experienced a net loss of \$326,000, positive cash flow resulted in no withdrawals being needed from the portfolio during the year.

The Statement of Financial Position also records a pension asset of \$1.5 million, down from \$2.8 million the previous year. The value of the pension fund (\$27.789 million) remained almost unchanged from the previous year (\$27.783 million), while the fund's obligations rose to \$26.2 million from \$24.9 million in 2015. (see note 9 of the financial statements).

The pension obligation is derived from the most recent triennial valuation effective July 1, 2014; the change in obligation during the most recent fiscal year is a result of an increase in new staff joining the plan, as well as the amendment of the plan to extend the 60/80 provision to members of the SEIU service workers' group.

Capital assets are recorded at \$13.8 million compared to \$14.9 million the previous year. Note that this is a depreciated value. For insurance purposes, the value of the College's buildings and contents exceeds \$150 million.

Statement of Operations

The year saw revenues increase approximately 10.1%, while expenses rose 4.3%, resulting in a deficit before investment income of \$440,000, down significantly from the previous year (a deficit of \$1.4 million). Factoring in an investment loss of \$326,000, the College's deficit on an accounting basis was \$766,000, vs. a surplus of \$1.7 million for 2015, achieved largely due to a 2015 investment performance (+\$3.0 million).

These figures do not reflect the College's budget policy of (1) a 4% investment draw and (2) allocating unrestricted bequests to unrestricted net assets (the "General Endowment"). This policy is designed to achieve stability in year-over-year results. Adjusting for these items, there was a surplus on a "budget" basis of \$16,000 in 2015-16, compared with a deficit of \$80,000 in 2014-15 (see Schedule 1).

SUPPLEMENTARY 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. As noted above, there was surplus of \$16,000 for 2015-16, compared to a loss of \$80,000 for 2014-2015, on a “budget” basis.

Cash inflow/outflow, a rough measure of the cash impact of operations on the General Endowment, was \$483,000 for 2015-16.

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

September 30, 2016