



## **Bursar's Report Year Ended April 30, 2018**

### Audited Financial Statements

There were no changes in accounting standards this year.

Certain expense accounts were reclassified from repairs and maintenance to supplies and services. Besides this reclassification, the presentation of the audited financial statements is substantially the same form as last year.

#### Statement of Financial Position (Balance Sheet)

Total assets of \$124.5 million increased by \$4.7 million, 3.9% mainly as a result of increase in investments.

Total liabilities of \$25.1 million increased by \$1.1 million, 4.6% mainly as a result of increase in post-employment benefits liability and increase in deferred contributions.

Total net assets of \$99.3 million increased by \$3.6 million, 3.8% mainly as a result of endowed donations.

#### Statement of Operations

The year saw total revenues increase by 2.2%, the impact of an increase in student fees revenue. Expenses increased 4.5% and were in line with budget. The result is a deficit before investment income of \$2.1 million, up \$0.5 million from the previous year. Factoring in the investment income allocated to operations of \$1.1 million, the College's deficit on an accounting basis was \$1.0 million, compared to a surplus of \$4.6 million for prior year.

### Supplementary Financial Schedules

The enclosed supplementary schedules were 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 General Endowment, was (\$810,000) for 2017-18 compared to an inflow of \$40,000 in the prior year, the difference attributable to additional capital spending and increase in the operating deficit during the current year.

*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 recognized in an amount sufficient to fund the corresponding spending for restricted purposes.

Schedules:

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

Jason MacIntyre  
Bursar & CAO

October 3, 2018

SCHEDULE 1

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

	2013-14	2014-15	2015-16	2016-17	2017-18
	\$	\$	\$	\$	\$
<b>Revenue</b>					
Fees	6,019	6,164	6,488	6,789	7,338
Grants	3,297	3,377	3,374	3,646	3,625
Revenue for restricted purposes	3,361	3,923	4,014	4,027	4,053
Sales & services	2,237	2,579	2,835	2,997	2,934
Annual fund donations & bequests	991	1,056	2,119	1,059	974
	<u>15,905</u>	<u>17,099</u>	<u>18,830</u>	<u>18,518</u>	<u>18,924</u>
<b>Expenses</b>					
Salaries and wages	7,287	7,814	8,527	8,900	9,402
Future benefits (pension, health)	1,233	1,262	1,193	1,364	1,221
Current benefits	884	958	1,001	1,034	1,163
Supplies and services	1,813	1,943	1,895	1,870	2,269
Repairs and maintenance	751	810	897	947	685
Utilities	699	706	678	742	808
Amortization of capital assets	1,489	1,680	1,622	1,674	1,755
Student awards	952	1,117	1,098	1,159	1,046
Food services and catering	2,044	2,187	2,359	2,472	2,719
	<u>17,152</u>	<u>18,477</u>	<u>19,270</u>	<u>20,162</u>	<u>21,068</u>
Deficit before investment income	(1,247)	(1,378)	(440)	(1,644)	(2,144)
Investment income (loss)	1,574	3,049	(326)	6,260	1,127
Surplus (deficit) - accounting basis	<u>327</u>	<u>1,671</u>	<u>(766)</u>	<u>4,616</u>	<u>(1,017)</u>
Less: Unrestricted bequests	(199)	(256)	(1,179)	(253)	(189)
Adjustment for long-term capital preservation	(21)	(1,494)	1,961	(4,608)	613
Net income (loss) - budget basis	<u>106</u>	<u>(80)</u>	<u>16</u>	<u>(245)</u>	<u>(593)</u>
<b>Cash used in operations and for capital purchases</b>					
Net income (loss) - budget basis	106	(80)	16	(245)	(593)
Add back: non-cash operating items					
Post-retirement benefits expense	1,233	1,262	1,117	1,364	1,221
Increase (decr.) in vacation accrual	(40)	(9)	(74)	1	63
Amortization, net	598	615	607	645	704
Less: cash outlays					
Pension and retirement contributions	(976)	(972)	(877)	(1,055)	(1,062)
Capital purchases	(380)	(447)	(306)	(446)	(965)
Cash inflow (outflow)	<u>541</u>	<u>369</u>	<u>483</u>	<u>264</u>	<u>(632)</u>
Construction in progress	--	--	--	(224)	(178)
Net cash inflow (outflow)	<u>541</u>	<u>369</u>	<u>483</u>	<u>40</u>	<u>(810)</u>

**SCHEDULE 2**

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

	2014	2015	2016	2017	2018
	\$	\$	\$	\$	\$
<b>Assets</b>					
Current assets	1,776	834	547	2,476	2,157
Investments	81,417	90,732	87,626	96,764	103,338
Pension asset	2,122	2,847	1,544	4,187	2,758
Capital assets	15,472	15,428	16,019	16,343	16,211
<b>Total Assets</b>	<b>100,786</b>	<b>109,841</b>	<b>105,736</b>	<b>119,770</b>	<b>124,464</b>
<b>Liabilities</b>					
Current liabilities	1,939	1,890	2,187	2,166	2,264
Post-employment health plan liability	5,625	6,957	7,301	6,442	7,041
Loan payable	175	153	131	109	87
Deferred contributions	6,001	7,002	7,755	5,847	6,357
Deferred capital contributions	8,583	8,312	7,474	9,485	9,398
	<b>22,323</b>	<b>24,314</b>	<b>24,848</b>	<b>24,049</b>	<b>25,147</b>
<b>Net Assets</b>					
Capital assets	6,618	6,451	6,150	5,951	6,478
Endowments	51,468	57,279	54,813	61,218	67,700
Unrestricted net assets	20,377	21,797	19,925	28,552	25,139
	<b>78,463</b>	<b>85,527</b>	<b>80,888</b>	<b>95,721</b>	<b>99,317</b>
<b>Total Liabilities and Net Assets</b>	<b>100,786</b>	<b>109,841</b>	<b>105,736</b>	<b>119,770</b>	<b>124,464</b>

**SCHEDULE 3**

**STATEMENT OF OPERATIONS - DETAIL  
YEAR ENDED APRIL 30, 2018  
(\$000s)**

	General	Ancillary	Restricted	<b>Total 2017-18</b>	Total 2016-17
<b>REVENUE</b>					
Student Fees	589	6,749		<b>7,338</b>	6,789
Grants - University of Toronto	3,243			<b>3,243</b>	3,238
Government Grants	382			<b>382</b>	408
Unrestricted donations & bequests	974			<b>974</b>	1,059
Revenue for restricted purposes			3,002	<b>3,002</b>	2,998
Sales and services	799	2,135		<b>2,934</b>	2,997
Amortization of deferred capital contributions	1,051			<b>1,051</b>	1,029
	<u>7,038</u>	<u>8,884</u>	<u>3,002</u>	<u><b>18,924</b></u>	<u>18,518</u>
<b>EXPENDITURE</b>					
Salaries and benefits	9,083	2,470	233	<b>11,786</b>	11,297
Supplies and services	1,586	298	385	<b>2,269</b>	1,871
Repairs and maintenance	211	473	1	<b>685</b>	947
Utilities	336	472		<b>808</b>	742
Amortization of capital assets	1,406	349		<b>1,755</b>	1,674
Student awards	8		1,038	<b>1,046</b>	1,159
Offsets to operating revenue/expenses	(1,345)		1,345	<b>0</b>	0
Food service and catering		2,719		<b>2,719</b>	2,472
	<u>11,285</u>	<u>6,781</u>	<u>3,002</u>	<u><b>21,068</b></u>	<u>20,162</u>
<b>NET before investment income</b>	(4,247)	2,103	0	<b>(2,144)</b>	(1,644)
<b>INVESTMENT INCOME (LOSS)</b>	1,127			<b>1,127</b>	6,260
<b>NET (accounting basis)</b>	(3,120)	2,103	0	<b>(1,017)</b>	4,616
<b>ALLOCATION OF BEQUESTS</b>	(189)			<b>(189)</b>	(253)
<b>ALLOCATION from (to) UNRESTRICTED NET ASSETS</b>	613			<b>613</b>	(4,608)
<b>NET INCOME (LOSS) 2017-18</b>	<u><b>(2,696)</b></u>	<u><b>2,103</b></u>	<u><b>0</b></u>	<u><b>(593)</b></u>	
<b>NET INCOME (LOSS) 2016-17</b>	<u>(1,958)</u>	<u>1,713</u>	<u>0</u>		<u>(245)</u>