

## Audited Financial Statements for the year ended April 30, 2014

The following charts provide analytical comments in regards to year over year changes in the financial statements.

### Statement of Financial Position

#### Assets

	April 30, 2014	April 30, 2013	Change Increase / (Decrease)	Comments
<b>Cash and cash equivalents</b>	\$ 34,024	\$ 35,652	\$ (1,628)	The change is directionally consistent with forecasting. Refer to the cash flow statements in the financial statements for additional activity.
<b>Accounts receivable</b> <i>(includes student, external organizations, sponsoring agencies and tax rebates)</i>	\$ 11,366	\$ 10,809	\$ 557	The change is primarily attributable to billings for congress and certain research grants receivable.
<b>Government grants receivable</b> <i>(includes nursing grant, government research grants)</i>	\$ 6,668	\$ 4,061	\$ 2,607	The change is attributable to the timing of payments receivable for the collaborative nursing program.
<b>Prepaid expenses and other assets</b> <i>(includes payments for future economic benefit)</i>	\$ 191	\$ 244	\$ (53)	The change is attributable to timing of payments.
<b>Inventories</b> <i>(includes bookstore, natural gas, and various housekeeping and maintenance supplies)</i>	\$ 1,952	\$ 3,533	\$ (1,581)	The change is attributable to a targeted effort in reducing bookstore inventory (including textbooks and merchandise).
<b>Restricted investments</b> <i>(includes endowments, unspent capital grants, internal sinking fund, investments held for other restricted purposes)</i>	\$ 94,657	\$ 84,557	\$ 10,100	The change is primarily attributable to endowments increasing \$10,724 (\$8,960 related to investment gains) and sinking fund investment income of \$794 offset by a reduction in certain investments for restricted purposes related to capital and related projects (i.e. 198 St. Paul St.).
Capital assets	\$ 374,871	\$ 362,560	\$ 12,311	Capital asset purchased were \$28,302 primarily the result of construction related to 198 St. Paul Street and the replacement of the roof over the aquatics centre, offset by amortization of \$15,991 and a donated land sale with a book value of \$309.

## Liabilities

	April 30, 2014	April 30, 2013	Change Increase / (Decrease)	Comments
<b>Accounts payable and accrued liabilities</b> <i>(includes to be paid general operating, payroll and construction (i.e. 198 St. Paul Street) related expenses)</i>	\$ 17,513	\$ 19,647	\$ (2,134)	The change is primarily attributable to the timing of construction related payables and reduced expenses incurred around year end.
<b>Deferred revenue</b> <i>(includes tuition payments for spring/summer, deposits (i.e. residence), other payments for service in a future fiscal period.)</i>	\$ 27,019	\$ 22,123	\$ 4,896	The change is primarily attributable to increased enrolment in spring/summer course and increasing student credit balances.
<b>Deferred contributions</b> <i>(includes unspent external grants and/or donations with restrictions)</i>	\$ 8,051	\$ 7,832	\$ 219	The change is attributable to unspent research grants.
<b>Current portion of long-term debt</b>	\$ 1,367	\$ 3,629	\$ (2,262)	The change is attributable to the 460 St. David's property loan (balance \$2,341 in the prior year) coming due and being paid.
<b>Long-term debt</b> <i>(includes loans for Earp, Lowenberger, 460 St. David's Road, and Cairns Family Health and Bioscience Research)</i>	\$ 43,071	\$ 44,438	\$ (1,367)	The change is attributable to planned repayment of long-term debt in accordance with borrowing agreements.
<b>Debenture payable</b> <i>(represents the \$93,000 bullet payment due in 2045)</i>	\$ 90,071	\$ 90,035	\$ 36	The change represents the amortization of deferred charges related to bond issuance costs. Deferred charges represented \$2,929 at April 30, 2014.
<b>Deferred capital contributions</b> <i>(represents the unamortized portion of donations and grants received specifically for the acquisition of capital)</i>	\$ 181,177	\$ 170,264	\$ 10,913	Additions include \$15,169 for 198 St. Paul Street, and \$2,641 in other grants and donations, offset by amortization of \$6,897.
<b>Employee future benefit obligations</b> <i>(includes the accrued benefit liability for pension, retiree medical, dental and health care spending accounts)</i>	\$ 41,728	\$ 47,440	\$ (5,712)	The change is attributable to a reduction in post-retirement benefits and the pension plan obligation. The liability for post-retirement benefits (retiree medical, dental and health care spending accounts) decreased from \$20,992 to \$17,891 driven by a change in the discount rate, experienced claim costs and the retirement table. The liability for pension benefit obligations decreased from \$26,448 to \$23,837 as a result of improved market returns (leaving the plan 94% funded on a financial statement reporting basis).

## Net Assets

	April 30, 2014	April 30, 2013	Change Increase / (Decrease)	Comments
<b>Endowment</b>	\$ 74,527	\$ 63,803	\$ 10,724	The growth is primarily attributable to investment income. Refer to financial statement note 10 for activity.
<b>Invested in capital assets</b>	\$ 70,937	\$ 68,151	\$ 2,786	Invested in capital assets represents the net carrying value of capital assets. Refer to financial statement note 11 for activity.

<b>Internally restricted</b>	\$ 10,874	\$ 18,852	\$ (7,978)	Internally restricted represents amounts internally committed. Refer to financial statements note 12.
<b>Unrestricted</b>	\$ (43,056)	\$ (54,798)	\$ 11,742	Unrestricted represents the surplus/deficit of the University adjusted for transactions between other net asset accounts.

## **Statement of Operations**

### **Revenue**

	<b>April 30, 2014</b>	<b>April 30, 2013</b>	<b>Change Increase / (Decrease)</b>	<b>Comments</b>
<b>Student fees</b> <i>(includes domestic and international tuition plus University specific ancillary fees)</i>	\$ 133,525	\$ 124,963	\$ 8,562	The change in is attributable to an estimated increase in activity of \$3,628 and an estimated increase in tuition rates of \$4,934.
<b>Government grants for general operations</b> <i>(includes the base operating grants and all other grants for general purposes)</i>	\$ 91,982	\$ 90,095	\$ 1,887	The change is consistent with budget forecasts and primarily attributable to a 2.1% increase in eligible full time equivalent (FTE) students, offset by Ministry funding cuts on operating grants (i.e. reduction of \$826 to operating grants and \$470 related to the international student recovery tax)
<b>Ancillary operations</b> <i>(includes revenue from the bookstore, parking, residence, brock one card, conference services)</i>	\$ 31,670	\$ 31,819	\$ (149)	The change is attributable to a 4.3% decline in bookstore revenue offset by an increase in revenue from parking and residences.
<b>Sales and services</b> <i>(includes interest earned on student accounts, deferral fees, facility rentals, membership fees, application fees and athletic fees)</i>	\$ 13,501	\$ 14,363	\$ (862)	The change is primarily attributed to the one-time tax recovery of \$1,000 in fiscal 2012-13.
<b>Grants and other revenues for restricted purposes</b> <i>(includes general and non-endowed operating grants and donations)</i>	\$ 6,118	\$ 4,441	\$ 1,677	The change is primarily attributed to an increase in donations for spending on various initiatives where funding is set aside for restricted purposes (i.e. BioLinc).
<b>Investment income</b>	\$ 1,647	\$ 1,549	\$ 98	The change is attributable to a \$318 decline in operating investment income resulting from lower interest rates and a lower cash balance at certain points in the year, offset by a \$417 increase in sinking fund investment income as a result of an 18% year over year return.
<b>Research grants for restricted purposes</b> <i>(includes direct research funding and activity)</i>	\$ 12,347	\$ 12,974	\$ (627)	This amount matches the research expenditures for the year. The change is consistent with the change in deferred contributions.
<b>Amortization of deferred capital contributions</b> <i>(includes the amortization of grants and donations received for the acquisition of capital)</i>	\$ 6,897	\$ 5,657	\$ 1,240	The amount of revenue recorded is based on the grant and/or donations multiplied by an amortization rate that mirrors the amortization rate of the asset for which the grant and/or donation was received. The change is primarily attributable to this being the first full year that the government grants and other related donations for the Cairns' Family Health and Biosciences Research Complex have been amortized.

## Expense

	April 30, 2014	April 30, 2013	Change Increase / (Decrease)	Comments
<b>Salaries and benefits</b> <i>(includes salary and benefits, except those paid through the "research, including fellowships" account)</i>	\$ 191,442	\$ 187,253	\$ 4,189	The change in salaries and is primarily attributable to rate. The budget had anticipated head count growth; however, as a result of mitigation measures this growth did not materialize.
<b>Operating expenses</b> <i>(includes stationery, photocopying, postage, printing, teaching supplies, technology operating costs, professional development, recruitment, memberships, advertising and promotion, consulting, legal, audit, insurance fees)</i>	\$ 26,438	\$ 27,387	\$ (949)	In aggregate operating costs remained stable year over year. The change is primarily attributable to the credit quality of accounts receivable being maintained. In fiscal 2012-13 the operating expenses included a one-time additional expense of \$1,054 related to the allowance for doubtful accounts.
<b>Scholarships, fellowships and bursaries</b> <i>(includes graduate fellowships that are not included in "research, including fellowship" accounts, undergraduate bursaries and scholarships.</i>	\$ 15,384	\$ 13,682	\$ 1,702	The change is primarily attributable to the requirement for additional tuition set aside payments.
<b>Expandable equipment, repairs and maintenance</b> <i>(includes electronic acquisitions for the library, software, cleaning and maintenance costs for properties, and leasing costs for properties such as Quarry view Residence)</i>	\$ 9,104	\$ 9,032	\$ 72	In aggregate expandable equipment, repairs and maintenance costs remained stable year over year. The budget had anticipated an increase in spending but this did not materialize as a result of timing and mitigation efforts.
<b>Utilities and taxes</b> <i>(includes hydro, water, natural gas, property taxes)</i>	\$ 8,081	\$ 7,900	\$ 181	In aggregate utilities and taxes remained stable year over year.
<b>Interest on long-term debt</b>	\$ 7,246	\$ 6,862	\$ 384	The change is a result of fiscal 2013-14 being the first full year of the Cairns' Family Health and Biosciences Research Complex loan (9 months of interest payments were made in fiscal 2012-13 for this loan).
<b>Cost of sales</b> <i>(primarily reflects the bookstore)</i>	\$ 7,715	\$ 8,432	\$ (717)	The reduction is consistent with a 4.3% reduction in bookstore sales and a 3.5% increase in gross margins.
<b>Research, including fellowships</b> <i>(includes direct research activity that has corresponding funding)</i>	\$ 12,347	\$ 12,974	\$ (627)	This amount matches the research revenue for the year. The change is consistent with the change in deferred contributions.
Amortization of capital assets	\$ 15,991	\$ 14,543	\$ 1,448	The change is primarily attributable to this being the first full year of amortization on the Cairns' Family Health and Biosciences Research Complex. The prior year was only a half year of amortization.
Pension obligation	\$ 2,611	\$ 10,299	\$ (7,688)	As noted above: The liability for pension benefit obligations decreased from \$26,448 to \$23,837 as a result of improved market returns (leaving the plan 94% funded on a financial statement reporting basis).