



University of Toronto

BUSINESS AFFAIRS

**ATTACHMENTS
CONFIDENTIAL**

TO: Audit Committee

SPONSOR: Catherine Riggall
CONTACT INFO: 416-978-7473 catherine.riggall@utoronto.ca

DATE: October 13, 2004 for October 27, 2004

AGENDA ITEM: 3

ITEM IDENTIFICATION:

University of Toronto Press, Financial Statements and Annual Report for the year ending April 30, 2004

JURISDICTIONAL INFORMATION:

Under Clause 5.1 (c) of the Terms of Reference of the Audit Committee, the committee is responsible for reviewing University-related financial statements and annual reports as appropriate and recommends acceptance. The Business Board is responsible for accepting annual reports and financial statements of incorporated business ancillaries.

PREVIOUS ACTION TAKEN:

The Audit Committee of the UT Press Board has reviewed and approved the reports, as has the Executive Committee at their meetings on October 7, 2004. The reports will be presented for acceptance by the full board at the Annual Meeting of the Press on November 25, 2004

HIGHLIGHTS:

The Press had a difficult year in 2003-04. The failures of a large client, of the European distributor and a US based subscription service and the impact of SARS on the retail business were some of the contributors to the negative financial results. With the retirement of George Meadows at the end of June, the organization has begun a strategic review under the direction of the new President and CEO, with a focus on bringing the company back to a more sustainable financial basis.

FINANCIAL AND/OR PLANNING IMPLICATIONS:

The net loss means that the Press has not been able to pay dividends to the University, nor do we anticipate receiving any for the next year. The impact is minor, since the goal of the Press is to make scholarly publishing feasible, by supporting the costs from revenue generating activities. There is no expectation of a significant profit.

RECOMMENDATION:

Subject to their final approval by the full Board of the University of Toronto Press, it is recommended :

THAT the annual report and financial statements of University of Toronto Press for the year ending April 30, 2004, be accepted, and recommended for acceptance by the Business Board.