



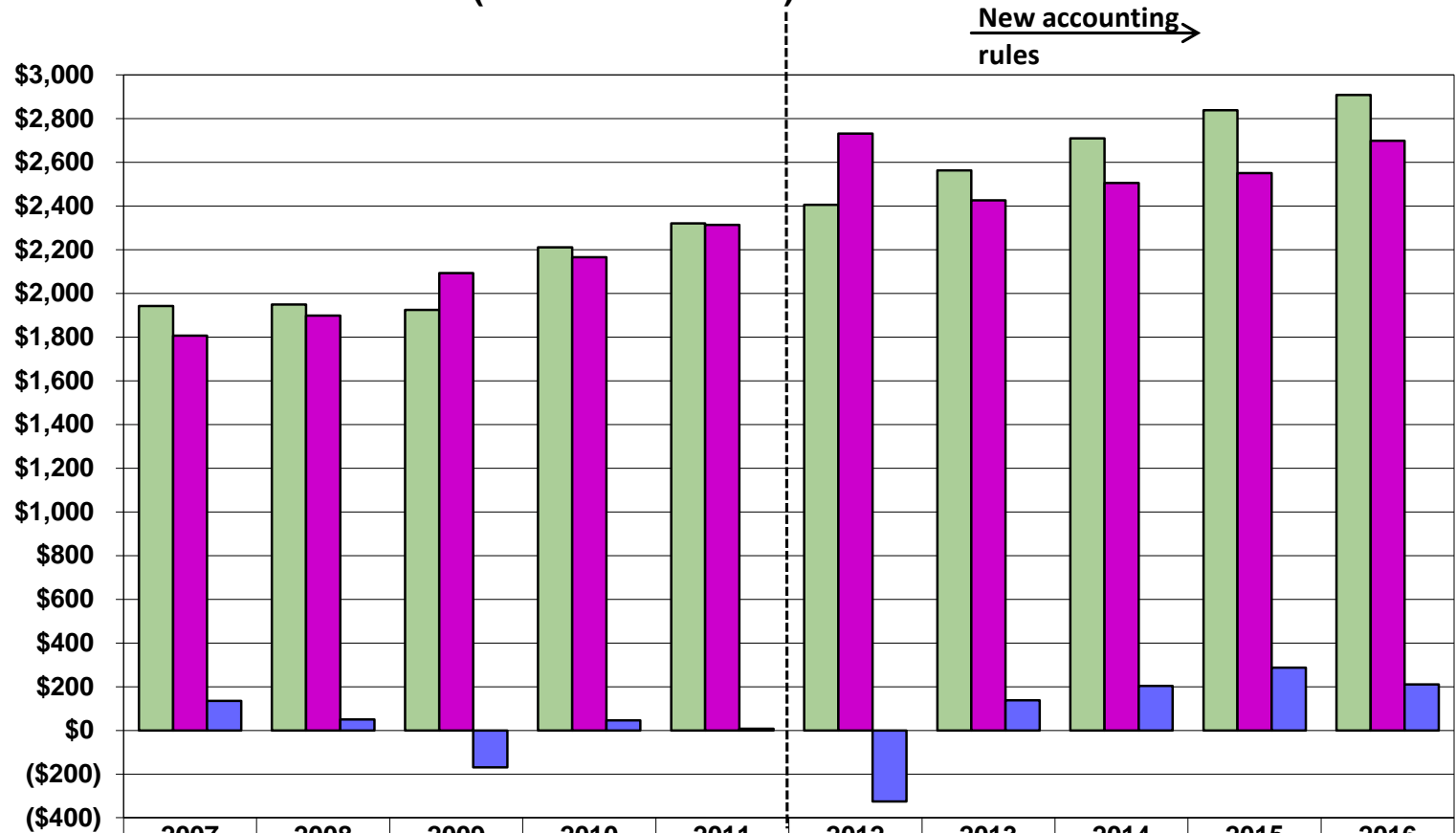
UNIVERSITY OF  
**TORONTO**

**Financial Statements**

**For the Year Ended  
April 30, 2016**

**Presentation to Business Board**

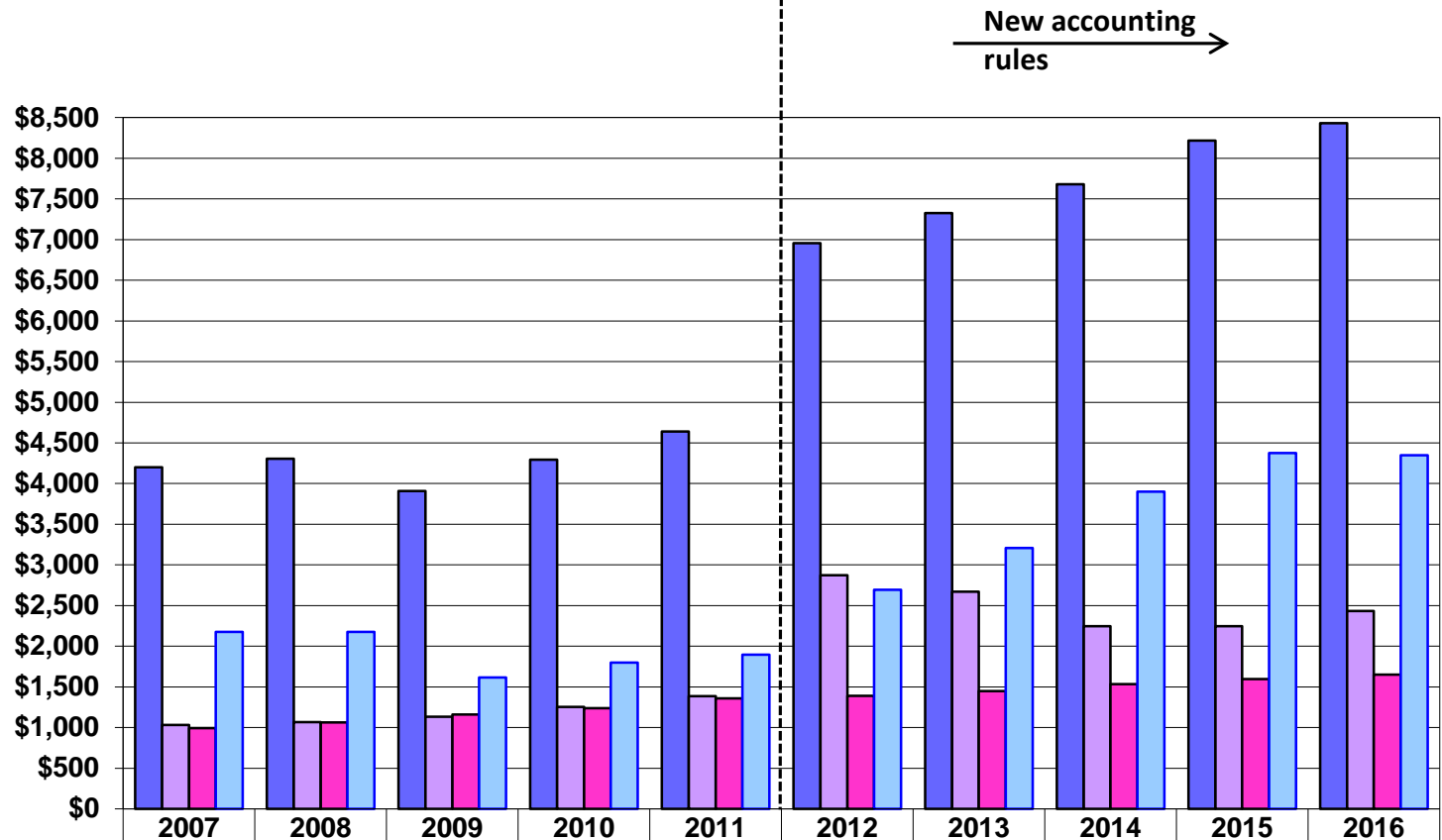
## Revenues and Expenses for the year ended April 30 (millions of dollars)



	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Revenues	1,942.0	1,948.9	1,924.7	2,210.9	2,321.1	2,406.0	2,563.3	2,710.2	2,839.4	2,909.0
Expenses	1,807.5	1,898.3	2,093.9	2,165.5	2,313.9	2,732.0	2,425.6	2,505.9	2,551.6	2,698.4
Net income (loss)	134.5	50.6	(169.2)	45.4	7.2	(326.0)	137.7	204.3	287.8	210.6

**Positive net income save for 2009 and 2012.**

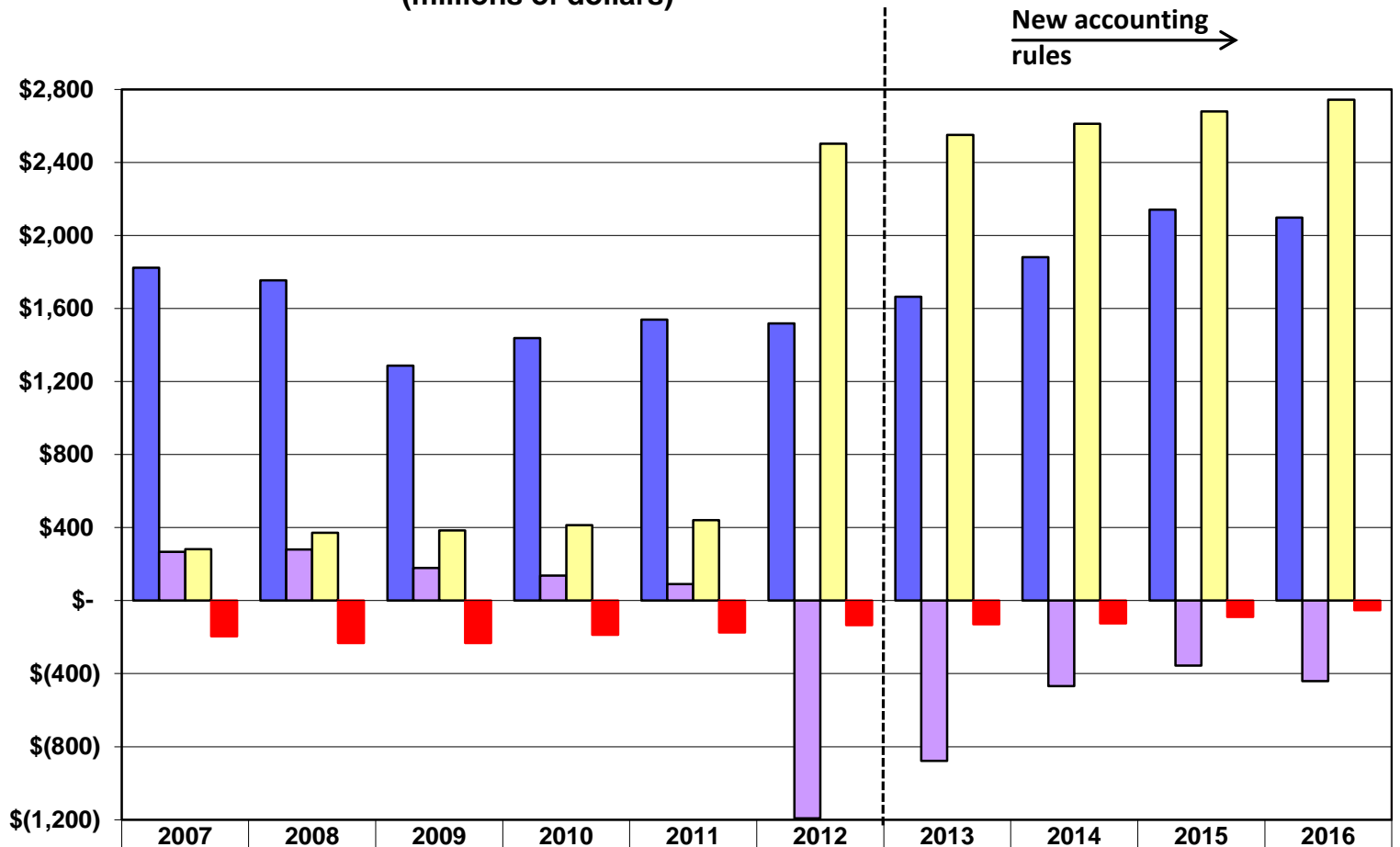
**Assets, Liabilities and Net Assets  
at April 30  
(millions of dollars)**



■ Assets	4,200.8	4,305.3	3,909.0	4,292.9	4,640.5	6,955.8	7,325.2	7,681.0	8,217.8	8,432.6
■ Liabilities	1,030.6	1,066.8	1,132.5	1,253.3	1,387.5	2,872.8	2,669.2	2,245.9	2,247.5	2,433.7
■ Deferred contributions	993.7	1,064.2	1,159.4	1,239.6	1,356.6	1,389.5	1,449.1	1,534.9	1,594.4	1,650.0
■ Net assets	2,176.5	2,174.3	1,617.1	1,800.0	1,896.4	2,693.5	3,206.9	3,900.2	4,375.9	4,348.9

**Assets and liabilities have increased to accommodate growth in students and research.**

**Net assets  
at April 30  
(millions of dollars)**



	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
■ Endowments	1,822.7	1,754.8	1,286.3	1,437.2	1,539.4	1,518.1	1,663.7	1,880.8	2,142.1	2,097.7
■ Internally restricted	266.7	279.5	179.0	136.4	90.6	(1,192.8)	(878.3)	(467.8)	(355.4)	(440.9)
■ Investment in capital assets	282.2	371.9	383.8	413.2	440.3	2,503.1	2,551.2	2,611.8	2,678.7	2,744.1
■ Unrestricted deficit	(195.1)	(231.9)	(232.0)	(186.8)	(173.9)	(134.9)	(129.7)	(124.6)	(89.5)	(52.0)

**Endowments are 48.2% of net assets.**

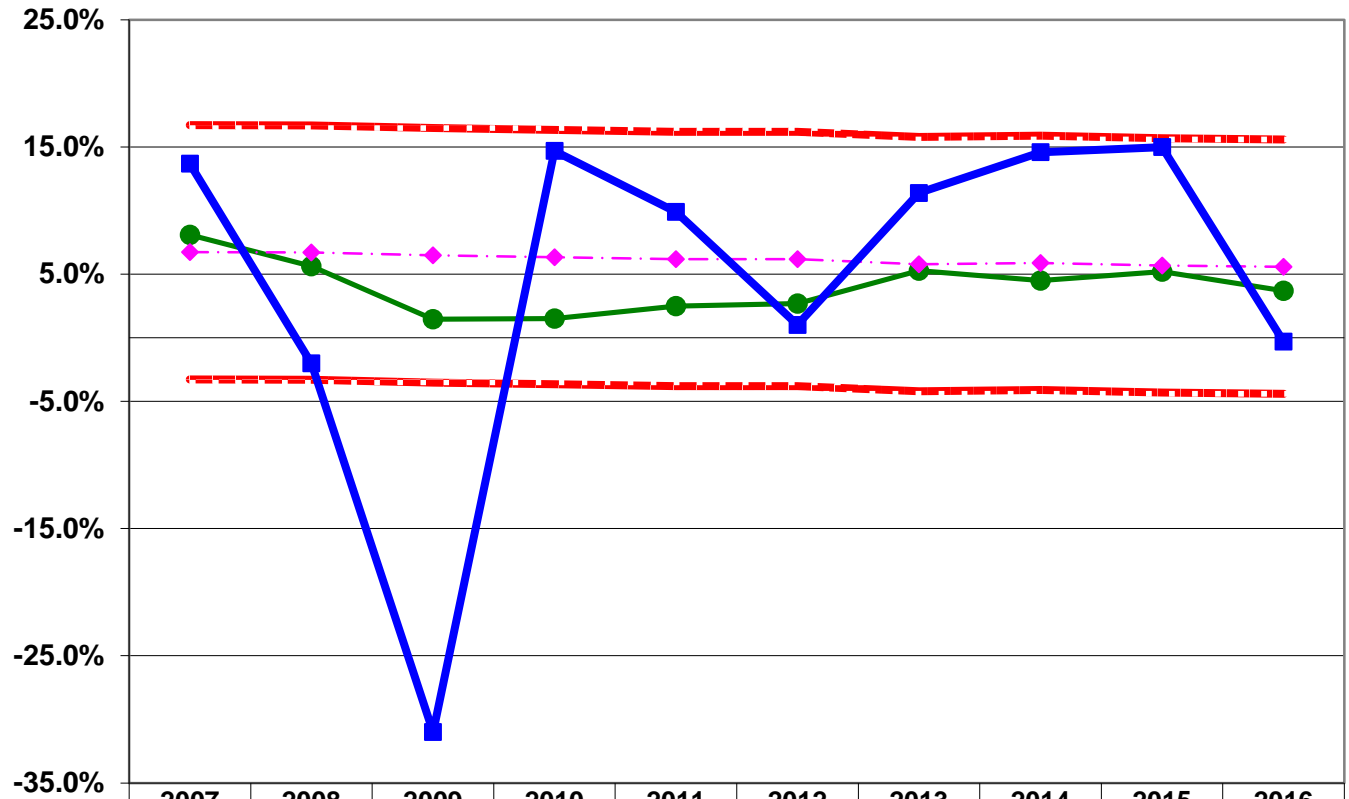
# Change in Net Assets

## 2015-2016

(millions of dollars)

	<u>April 30, 2016</u>	<u>April 30, 2015</u>
Net Assets, beginning of year	4,375.9	3,900.2
Net Assets, end of year	<u>4,348.9</u>	<u>4,375.9</u>
Increase (decrease)	<u>(27.0)</u>	<u>475.7</u>
Net income	210.6	287.8
Investment gain (loss) on externally restricted endowments	(72.7)	176.1
Remeasurements and other items	(193.7)	(20.9)
Externally endowed donations	<u>28.8</u>	<u>32.7</u>
	<u>(27.0)</u>	<u>475.7</u>

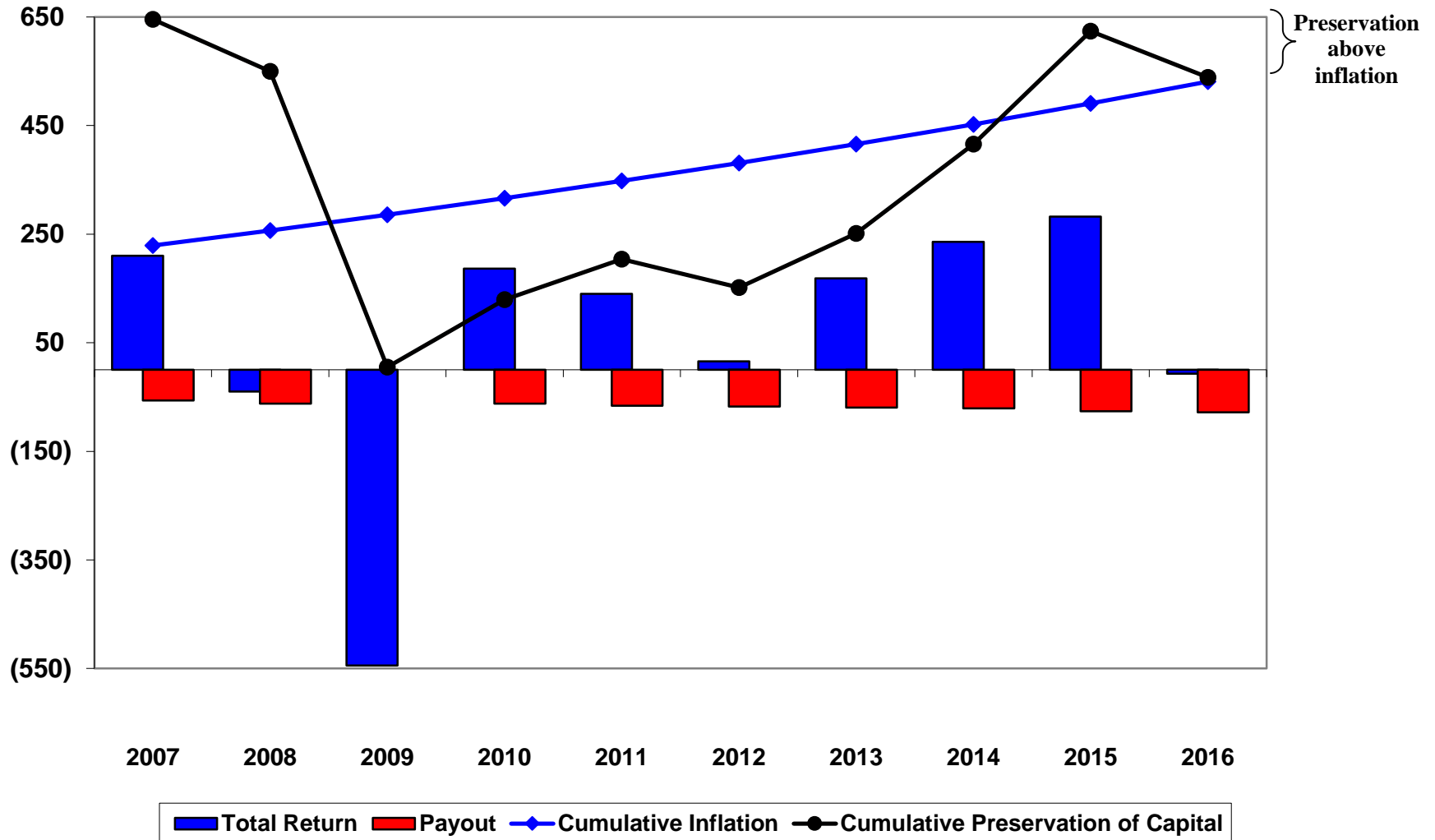
## Long-Term Capital Appreciation Pool (LTCAP) Ten-Year Rolling Average Returns with Annual Returns



<span style="color: green;">—●—</span> Ten-Year rolling average return	8.1%	5.6%	1.5%	1.5%	2.5%	2.7%	5.3%	4.5%	5.2%	3.7%
<span style="color: red;">- - -</span> Ten-Year rolling target return +10%	16.7%	16.7%	16.5%	16.4%	16.2%	16.2%	15.8%	15.9%	15.7%	15.6%
<span style="color: magenta;">- ◆ -</span> Ten-Year rolling target return*	6.7%	6.7%	6.5%	6.4%	6.2%	6.2%	5.8%	5.9%	5.7%	5.6%
<span style="color: red;">- - -</span> Ten-Year rolling target return -10%	-3.3%	-3.3%	-3.5%	-3.6%	-3.8%	-3.8%	-4.2%	-4.1%	-4.3%	-4.4%
<span style="color: blue;">—■—</span> Annual investment return	13.7%	-2.0%	-31.0%	14.7%	9.9%	1.0%	11.4%	14.6%	15.0%	-0.3%

\*The ten-year rolling returns are geometric average returns.

**Endowment cumulative preservation of capital compared to cumulative inflation  
with total return and payout for the year ended April 30  
(in millions)**



# Financial Results Compared to Forecast (in millions)

	<u>Forecast</u>	<u>Actual</u>	<u>Percentage Difference</u>
Revenues	2,903.4	2,909.0	0.2%
Expenses	2,765.2	2,698.4	-2.4%
Net assets	4,349.1	4,348.9	0.0%
Endowments	2,115.0	2,097.7	-0.8%
Internally restricted net assets	\$2,304.2	\$2,303.2	0.0%
Unrestricted deficit	(70.1)	(52.0)	
Operating fund surplus	12.5	22.1	