



University of Toronto

Felix P. Chee

Vice-President, Business Affairs

Memorandum to: Business Board

From: Felix Chee

For: Meeting of June 20, 2002

Agenda Item: 3

Item Identification: Audited Financial statements and notes– April 30, 2002

Basis of Business Board's Jurisdiction

The Audit Committee is responsible for reviewing the annual audited financial statements and recommending them to the Business Board. The Board in turn recommends the approval to Governing Council.

Sponsor

Felix Chee, Vice-President, Business Affairs

Action Sought

Receipt of the draft financial statements and recommendation to Governing Council.

Highlights

The following documents are included for your review:

- Draft financial statements and notes
- Draft supplementary financial report

The University received funding of \$1.2 billion for 2001-2. The funding was recorded as follows: \$1.1 billion as revenue, \$89.7 million of donations and grants as endowment capital, and \$10.9 million of funds received and not yet spent as deferred contributions.

Expenses were \$1.3 billion. Revenues less expenses was negative \$125.1 million. After taking account of transfers, the decrease in funds committed and the increase in investment in capital assets, the deficit for the year was \$12.7 million and the cumulative deficit was \$32.0 million. This deficit was in line with the University's financial plans.

The University's assets were \$2.6 billion as compared to \$2.4 billion last year. Liabilities were \$1.1 billion as compared to \$870.3 million the previous year. The increase in liabilities is largely due to the \$160.0 million debenture issue and a \$23.0 million increase in the employee future benefit obligation.