

S.88-31

FOR INFORMATION

SIMON FRASER UNIVERSITY

MEMORANDUM

TO: Senate

FROM: W.R. Heath
Registrar

SUBJECT: Annual Financial Statement

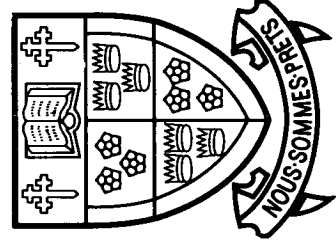
DATE: Sept. 15, 1988

Section 31 of the University Act states: "The board shall make an annual report of its transactions to the Minister, in which shall be set out a balance sheet and a statement of revenue and expenditure for the year ending on the preceding March 31, and other particulars the Minister may require. A copy of the annual report shall be transmitted promptly to the senate."

A copy of the report is attached.

NOTE: AS COPIES OF THE FINANCIAL REPORT ARE IN SHORT SUPPLY, IT IS REQUESTED THAT STATEMENTS BE RETURNED FOLLOWING PERUSAL TO THE OFFICE OF THE REGISTRAR (ATTN. BOBBIE GRANT). (SENATORS ARE ASKED TO RETURN THE STATEMENTS FOLLOWING THE SEPTEMBER MEETING OF SENATE).

SIMON FRASER UNIVERSITY



FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 1988

S I M O N F R A S E R U N I V E R S I T Y

FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 1988

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S I M O N F R A S E R U N I V E R S I T Y Schedule 8

BRITISH COLUMBIA EDUCATIONAL INSTITUTIONS CAPITAL FINANCING AUTHORITY DEBENTURES
AS AT MARCH 31, 1988

(thousands of dollars)

<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Face Value</u>	<u>Sinking Fund Balance</u>	<u>Balance Outstanding 1988</u>	<u>Balance Outstanding 1987</u>	<u>Annual Payments</u>
Dec 10, 1990	9.75%	\$2,927	\$231	\$2,696	\$2,816	\$393
Jul 6, 1991	13.50	458	180	278	343	113
Aug 15, 1991	9.00	350	190	160	215	72
Apr 8, 1993	9.10	280	33	247	280	57
Jun 9, 1998	9.41	2,000	796	1,204	1,302	237
Jan 10, 1999	9.82	2,000	718	1,282	1,379	245
Mar 9, 1999	10.16	3,700	1,271	2,429	2,618	466
Apr 10, 1999	10.26	800	282	518	560	102
Nov 9, 1999	10.68	3,700	1,115	2,585	2,766	485
Mar 10, 2000	12.74	2,000	603	1,397	1,492	304
Sep 10, 2000	12.55	2,100	540	1,560	1,655	315
Mar 10, 2001	13.13	210	52	158	167	33
Apr 10, 2001	13.66	2,500	469	2,031	2,123	396
May 8, 2001	13.69	2,280	419	1,861	1,944	362
Jul 10, 2001	14.81	1,880	339	1,541	1,608	320
Oct 9, 2001	17.00	1,000	178	822	857	192
Mar 10, 2002	16.10	1,756	300	1,456	1,516	321
May 10, 2002	15.25	1,980	290	1,690	1,756	345
Jun 10, 2002	14.96	1,000	145	855	888	171
Aug 10, 2002	16.53	1,400	200	1,200	1,246	262
Oct 8, 2002	14.16	2,000	282	1,718	1,783	327
Nov 10, 2002	13.43	1,607	224	1,383	1,434	251
Dec 10, 2002	12.01	1,000	138	862	893	142
Apr 5, 2003	11.59	2,000	224	1,776	1,837	276
May 2, 2003	11.53	2,545	284	2,261	2,339	349
Aug 2, 2003	11.51	1,000	109	891	921	137
Dec 1, 2003	11.79	1,000	105	895	924	140
Mar 1, 2004	12.13	2,099	215	1,884	1,944	300
Apr 2, 2004	12.60	1,000	79	921	949	148
Oct 10, 2006	9.36	387	9	378	387	45
		<u>\$48,959</u>	<u>\$10,020</u>	<u>\$38,939</u>	<u>\$40,942</u>	<u>\$7,306</u>



Legislative Assembly
Province of British Columbia

AUDITOR GENERAL

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AUDITOR'S REPORT

To the Chairman and Members of the Board of Governors of
Simon Fraser University, and

To the Minister of Advanced Education and Job Training,
Province of British Columbia:

I have examined the balance sheet of Simon Fraser University as at March 31, 1988
and the following statements for the year then ended:

- Statement 2 - Statement of changes in appropriated
expendable fund balances
- Statement 3 - Statement of changes in unappropriated
expendable fund balances
- Statement 4 - Statement of changes in non-expendable
fund balances
- Statement 5 - Statement of changes in equity in plant
assets

My examination was made in accordance with generally accepted auditing
standards, and accordingly included such tests and other procedures as I considered
necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of
the University as at March 31, 1988 and the results of its operations and changes in
fund balances for the year then ended in accordance with accounting principles
described in note 1 to the financial statements applied, after giving retroactive
effect to the change in the method of accounting for sponsored research revenue as
explained in note 10 to the financial statements, on a basis consistent with that of
the preceding year.

George L. Morfitt, F.C.A.
Auditor General

Victoria, British Columbia
June 10, 1988

S I M O N F R A S E R U N I V E R S I T Y
 SCHEDULE OF ACADEMIC EXPENDITURES - ALL FUNDS
 FOR THE YEAR ENDED MARCH 31, 1988
 (thousands of dollars)

Schedule 7

	General Operating	Sponsored Research	Other Grants and Programs	Capital	Total Expenditures 1988	Total Expenditures 1987
FACULTY OF ARTS						
General faculty	\$458	\$28	\$291	\$55	\$832	\$715
Archaeology	862	329		13	1,204	1,217
Centre for the Arts	1,647		321	72	2,040	1,848
Criminology	1,503	154	39	4	1,700	1,572
Economics	2,425	68	8	15	2,508	2,291
English	2,501	127	9	15	2,651	2,366
Geography	1,619	110		37	1,775	1,764
History	1,762	54		9	1,825	1,736
Interdisciplinary Studies	244				244	187
Languages, Literatures & Linguistics	1,862	17		18	1,897	1,880
Philosophy	878	10	8	8	904	811
Political Science	999	34		2	1,035	942
Psychology	2,821	179	3	24	3,027	2,806
Sociology and Anthropology	1,186	80		8	1,274	1,106
Other Studies	362	187	72	5	626	478
	21,129	1,377	751	285	23,542	21,719
FACULTY OF APPLIED SCIENCE						
General faculty	107	7		1	115	64
Communication Studies	1,191	50	12	40	1,293	1,225
Computing Science	2,607	778	218	27	3,630	3,669
Engineering Science	1,862	257	14	43	2,176	1,881
Kinesiology	1,658	379	79	36	2,152	2,090
Natural Resources Management	422	86	13	10	531	392
Centre for Systems Science			585		585	
	7,847	1,557	921	157	10,482	9,321
	3,757	132	266	56	4,211	3,734
	5,045	440	1,990	144	7,619	6,779
FACULTY OF BUSINESS ADMINISTRATION						
FACULTY OF EDUCATION						
FACULTY OF SCIENCE						
General faculty	307	23		2	332	343
Biological Sciences	3,646	1,962	2	160	5,770	5,429
Chemistry	3,500	1,472	15	120	5,107	4,738
Mathematics and Statistics	3,169	453	15	68	3,705	3,425
Physics	3,045	1,528	3	112	4,688	4,493
Science Workshops	610			7	617	600
UCUMBS	138			11	149	143
	14,415	5,438	35	480	20,368	19,171
OTHER EXPENDITURES						
Animal Research Facility	88	4		4	96	114
Continuing Studies	2,635		2,972	8	5,615	4,539
Co-op Education	220		608		828	492
Graduate Studies	385	82		7	474	366
Instructional Media Centre	918			56	974	906
	4,246	86	3,580	75	7,987	6,417
TOTAL ACADEMIC EXPENDITURES	\$56,439	\$9,030	\$7,543	\$1,197	\$74,209	\$67,141

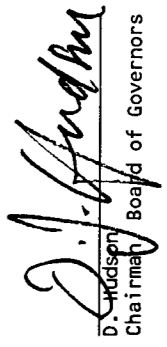
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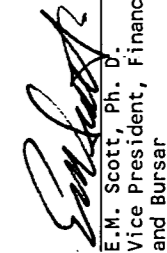
Statement 1

BALANCE SHEET
AS AT MARCH 31, 1988
(thousands of dollars)

	1988	1987		1988	1987
ASSETS			LIABILITIES AND FUND BALANCES		
Cash and short-term investments	\$ 42,702	\$ 27,468	Accounts payable and accrued liabilities	\$ 8,579	\$ 8,964
Accounts receivable	5,684	4,295	Loans payable (Note 3)	6,893	1,681
Prepaid expenses	728	316	Long-term debt (Note 4)	45,856	47,960
Inventories	1,832	1,620	Group insurance reserve (Note 5)	946	1,046
Long-term investments (Note 2)	2,329	2,109	Retirement benefits reserve (Note 6)	3,898	3,840
Plant assets			Lease commitment reserve (Note 7)	15,737	-
Land and buildings	113,612	110,290	Expendable fund balances	6,658	7,428
Equipment	35,495	29,890	Appropriated (Statement 2)	1,430	309
Library holdings	22,892	20,855	General operating	1,256	1,805
Leasehold improvements	348	-	Ancillary enterprises	141	145
			Capital	2,545	2,259
			Unappropriated (Statement 3)	4,536	2,067
			General operating	140	80
			Ancillary enterprises	1,767	2,035
			Capital	8,179	6,082
			Non-expendable fund balances (Statement 4)	83	83
			Endowment		
			Student loan		
			Equity in plant assets (Statement 5)	112,888	111,059
				\$225,552	\$196,843

Approved:





 D. J. Hudson
 Chairman, Board of Governors

E. M. Scott, Ph. D.
 Vice President, Finance
 and Bursar

S I M O N F R A S E R U N I V E R S I T Y

Schedule 6

SCHEDULE OF GENERAL OPERATING FUND - NON-ACADEMIC EXPENDITURES
FOR THE YEAR ENDED MARCH 31, 1988
(thousands of dollars)

	Salaries	Employee Benefits	Books and Periodicals	Student Awards	Utilities	Contract Services	Professional Fees	Other Expenses	Internal Cost Allocations	External Cost Recoveries	Total
	1988	1987							1988	1987	1988
LIBRARY	\$3,122	\$390	\$2,064	\$ -	\$31	\$ -	\$ -	\$511	\$73	(\$203)	\$5,988
STUDENT SERVICES											
Director's Office	145	16	-	-	4	-	-	55	1	-	178
Academic Advice Centre	178	19	-	-	3	-	5	13	2	(1)	214
Athletics and Recreation	985	100	-	-	14	-	15	566	3	(80)	1,588
Counselling Services	288	30	-	-	5	-	-	18	3	-	321
Financial Aid Office	342	87	-	3,108	5	-	-	32	58	-	3,309
Health Services	629	75	-	-	7	-	10	40	-	(572)	1,249
Other Services	-	-	-	-	-	-	-	-	-	-	9
	2,547	327	-	3,108	38	-	30	724	64	(653)	5,709
PLANT AND MAINTENANCE	2,506	358	-	-	1,296	1,552	43	1,307	31	(550)	6,873
COMPUTING SERVICES	2,606	326	-	-	91	-	90	1,915	(4,714)	(452)	(138)
ADMINISTRATION AND GENERAL											
Analytical Studies	153	19	-	-	2	-	-	15	18	-	194
Ancillary Services	580	83	-	-	7	-	-	(557)	4	-	249
Development Office	492	50	-	-	13	-	173	404	153	-	852
Finance	1,463	172	-	-	16	-	17	156	368	-	2,000
General University	-	-	-	-	-	-	360	598	(441)	(95)	381
Personnel/Employee Relations	550	65	-	-	6	-	81	80	11	-	657
President's Office	258	34	-	-	5	3	3	123	1	-	428
Registrar's Office	1,282	162	-	-	25	-	3	497	539	-	2,392
Systems Development	59	9	-	-	-	-	282	1,054	407	-	1,561
University Archives	93	11	-	-	1	-	-	14	2	-	134
University News Service	176	21	-	-	2	-	11	149	1	-	290
Vice President Academic	427	53	-	-	7	-	66	205	3	-	665
Executive Director,	-	-	-	-	-	-	-	-	-	-	-
Administrative Services	80	11	-	-	1	-	-	16	-	-	100
Vice President University	156	21	-	-	2	-	6	66	1	-	251
Development	-	-	-	-	-	-	-	-	-	-	-
Vice President Research and	176	25	-	-	4	-	55	84	1	-	266
Information Systems	-	-	-	-	-	-	-	-	-	-	-
	5,945	736	-	-	91	3	1,057	2,904	1,068	(95)	11,709
TOTALS	\$16,726	\$2,137	\$2,064	\$3,108	\$1,547	\$1,555	\$1,220	\$7,361	(\$3,478)	(\$1,953)	\$30,287
											\$28,794

S I M O N F R A S E R U N I V E R S I T Y

Statement 2

STATEMENT OF CHANGES IN APPROPRIATED EXPENDABLE FUND BALANCES
FOR THE YEAR ENDED MARCH 31, 1988
(thousands of dollars)

	<u>Balances</u> <u>Beginning</u> <u>of Year</u>	<u>Released</u> <u>to Meet</u> <u>Expenditures</u>	<u>Additions</u> <u>During</u> <u>the Year</u>	<u>Balances</u> <u>End</u> <u>of Year</u>
GENERAL OPERATING FUND				
Authorized allocations to following fiscal year	\$1,481	\$1,025	\$672	\$1,128
Provision for annualized costs	654	654	908	908
Provision for non-recurring expenditures	1,495	1,495	2,539	2,539
Provision for research grants carryover	749	299	302	752
Provision for self insurance and appraisal	200	14	(86)	100
Provision for specific expenditure	1,406	1,406	380	380
Provision for systems development	1,343	1,026	434	751
Provision for contingencies	100	.	.	100
	<u>7,428</u>	<u>5,919</u>	<u>5,149</u>	<u>6,658</u>
ANCILLARY ENTERPRISES FUND				
Provision for equipment replacement and capital improvements	309	59	180	430
CAPITAL FUND				
Provision for authorized projects	1,805	1,805	1,256	1,256
	<u>\$9,542</u>	<u>\$7,783</u>	<u>\$6,585</u>	<u>\$8,344</u>
1987 Comparative figures - as restated (Note 11)	<u>\$7,032</u>	<u>\$6,835</u>	<u>\$9,345</u>	<u>\$9,542</u>

S I M O N F R A S E R U N I V E R S I T Y
 SCHEDULE OF GENERAL OPERATING FUND - ACADEMIC EXPENDITURES
 FOR THE YEAR ENDED MARCH 31, 1988

Schedule 5

Salaries

	Academic	Instructional & Research	Other	Total	Employee Benefits	Equipment, Rentals and Alterations	Other Expenses	Internal Cost Allocations	Total	1987
FACULTY OF ARTS										
General faculty	\$26	\$46	\$226	\$298	\$41	\$22	\$105	(\$8)	\$458	\$581
Archaeology	471	51	162	684	81	8	83	6	862	834
Centre for the Arts	1,015	109	158	1282	145	38	179	3	1,647	1,594
Criminology	980	113	124	1217	141	15	81	49	1,503	1,399
Economics	1,477	394	138	2009	206	5	84	121	2,425	2,216
English	1,786	246	125	2157	246	5	73	20	2,501	2,334
Geography	1,022	128	173	1323	152	5	85	54	1,619	1,609
History	1,279	107	97	1483	180	2	89	8	1,762	1,647
Interdisciplinary Studies	215	1	1	216	26	0	2	2	244	187
Languages, Literature & Linguistics	1,225	189	193	1607	174	16	53	12	1,862	1,863
Philosophy	602	94	54	750	88	6	33	1	873	774
Political Science	687	104	62	853	92	43	43	11	939	888
Psychology	1,522	486	280	2288	249		163	121	2,821	2,587
Sociology and Anthropology	858	80	80	1018	115	4	41	8	1,133	1,094
Other Studies	251	29	21	301	33	1	22	5	362	296
	13,416	2,176	1,894	17,486	1,969	127	1,136	411	21,129	19,903
FACULTY OF APPLIED SCIENCE										
General faculty	27	17	42	86	17	6	5	(7)	107	64
Communication Studies	672	164	106	942	111	18	81	39	1,191	1,017
Computing Science	1,314	227	299	1840	192	68	195	312	2,607	2,328
Engineering Science	573	74	385	1032	112	284	274	160	1,862	1,634
Kinesiology	887	227	193	1307	150	31	119	51	1,653	1,610
Natural Resources Management	227	45	46	318	34	2	37	31	422	339
	3,700	754	1,071	5,525	616	409	711	586	7,847	6,992
FACULTY OF BUSINESS ADMINISTRATION										
	2,198	422	270	2,890	324	25	347	171	3,077	3,437
FACULTY OF EDUCATION										
	3,107	235	603	3,945	395	106	546	53	5,045	5,009
FACULTY OF SCIENCE										
General faculty	70	48	120	238	26	35	50	(42)	307	289
Biological Sciences	1,786	286	550	2622	303	129	497	95	3,646	3,390
Chemistry	1,660	224	367	2251	273	23	271	682	3,500	3,237
Mathematics and Statistics	1,877	558	144	2579	284	284	116	167	3,169	2,974
Physics	1,317	220	240	1777	198	50	229	791	3,045	3,082
Science Workshops	1	3	525	529	70	16	(5)	.	610	600
WCUMBS							138	.	138	132
	6,711	1,339	1,946	9,996	1,154	276	1,296	1,693	14,415	13,704
OTHER EXPENDITURES										
Animal Research Facility		4	67	71	8	5	3	1	88	92
Continuing Studies	760	28	808	1596	108	213	789	(71)	2,635	2,439
Co-op Education	3	7	171	181	21	2	16	.	220	214
Graduate Studies	75	177	60	312	30	1	41	1	385	360
Instructional Media Centre			684	684	99	61	74	.	918	878
	838	216	1,790	2,844	266	282	923	(69)	4,246	3,983
TOTALS	\$29,970	\$5,142	\$7,574	\$42,686	\$4,724	\$1,225	\$4,959	\$2,845	\$56,459	\$53,028

S I M O N F R A S E R U N I V E R S I T Y

Schedule 4

SCHEDULE OF GENERAL OPERATING FUND EXPENDITURES
For the Year Ended March 31, 1988
(thousands of dollars)

	Academic (Schedule 5)	Library	Student Services and Awards	Plant and Maintenance	Computing Services	Administration and General	Total Expenditures
	1988	1987	1988	1987	1988	1987	1988
EXPENDITURES							
Salaries	\$29,970	-	-	-	-	-	\$27,792
Academic ranks	4,724	-	-	-	-	-	4,374
Other instruction and research	1,327	-	-	-	-	-	23,385
Other support staff	3,076	3,122	2,547	2,506	2,606	5,945	55,551
Total salaries	<u>42,686</u>	<u>3,122</u>	<u>2,547</u>	<u>2,506</u>	<u>2,606</u>	<u>5,945</u>	<u>6,288</u>
Travel and personnel costs	4,724	390	327	2,506	2,606	5,736	1,969
Operating supplies and expenses	1,327	12	276	33	70	443	6,674
Equipment and furnishings	3,076	384	380	1,067	781	1,167	1,841
Equipment and facility rentals	687	20	23	71	74	1,053	1,754
Library acquisitions	422	62	21	19	956	181	1,759
Utilities	-	2,064	-	-	-	-	2,064
Scholarships, fellowships, and bursaries	365	31	38	1,296	91	91	1,912
Contract services	-	-	3,108	-	-	-	3,108
Professional fees	240	-	30	1,552	-	3	1,555
Renovations and alterations	139	33	24	43	90	1,057	1,460
Internal cost allocations	2,845	73	64	117	34	60	407
External cost recoveries	(72)	(203)	(653)	(550)	(4,714)	1,068	(633)
Total	<u>\$56,439</u>	<u>\$5,988</u>	<u>\$6,185</u>	<u>\$6,543</u>	<u>(\$138)</u>	<u>\$11,709</u>	<u>\$81,822</u>

S I M O N F R A S E R U N I V E R S I T Y

Statement 4

STATEMENT OF CHANGES IN NON-EXPENDABLE FUND BALANCES
FOR THE YEAR ENDED MARCH 31, 1988

(thousands of dollars)

	<u>Endowment</u>	<u>Student Loan</u>	<u>Totals</u>	<u>1988</u>	<u>1987</u>
GIFTS, GRANTS AND BEQUESTS	\$1,768	-		\$1,768	\$446
TRANSFER FROM UNAPPROPRIATED EXPENDABLE FUNDS	329	-		329	218
Net increase during the year	<u>2,097</u>	<u>-</u>		<u>2,097</u>	<u>664</u>
FUND BALANCES AT BEGINNING OF YEAR	6,082	\$83		6,165	5,501
FUND BALANCES AT END OF YEAR	<u>\$8,179</u>	<u>\$83</u>		<u>\$8,262</u>	<u>\$6,165</u>

S I M O N F R A S E R U N I V E R S I T Y

Schedule 3

SCHEDULE OF CHANGES IN ANCILLARY ENTERPRISES FUND BALANCES
FOR THE YEAR ENDED MARCH 31, 1988
(thousands of dollars)

	<u>1988</u>	<u>1987</u>
REVENUES		
Sale of goods and services	\$3,558	\$4,685
	<u>3,558</u>	<u>4,685</u>
EXPENDITURES AND OTHER DEDUCTIONS		
Salaries-other support staff	355	575
Employee benefits	46	62
Travel and personnel costs	5	16
Operating supplies and expenses	59	330
Equipment and furnishings	24	42
Equipment and facility rentals	2	4
Utilities	12	233
Contract services	12	169
Professional fees	-	-
Debt servicing - interest	15	333
- principal	71	492
Cost of goods sold	-	52
Internal cost allocation	2,854	2,288
External cost recoveries	5	6
	<u>(26)</u>	<u>(25)</u>
	<u>3,460</u>	<u>4,577</u>
TRANSFERS AND APPROPRIATIONS		
Interfund transfers	-	(112)
Change in appropriation	-	33
	<u>(121)</u>	<u>(79)</u>
Net increase (decrease) during year	98	29
FUND BALANCES AT BEGINNING OF YEAR	(48)	51
FUND BALANCES AT END OF YEAR	<u>\$50</u>	<u>\$80</u>

S I M O N F R A S E R U N I V E R S I T Y

Statement 5

STATEMENT OF CHANGES IN EQUITY IN PLANT ASSETS
FOR THE YEAR ENDED MARCH 31, 1988
(thousands of dollars)

	<u>1988</u>	<u>1987</u>
EQUITY INCREASED BY		
Additions to plant assets		
Capitalized acquisitions		
-Capital Fund	\$ 3,870	\$ 3,107
Equipment expensed when acquired		
-General Operating Fund	1,928	1,841
-Sponsored Research Fund	994	779
-Specific Purpose Fund	932	642
-Ancillary Enterprises Fund	30	42
-Capital Fund	3,655	1,920
Library acquisitions expensed when acquired		
-General Operating Fund	2,024	1,759
-Specific Purpose Fund	25	14
	<u>13,493</u>	<u>10,104</u>
Repayment of capital borrowings	1,357	1,201
Interest earned on sinking fund	743	648
	<u>15,603</u>	<u>11,953</u>
EQUITY DECREASED BY		
Authorized capital borrowings	4,793	3,701
Land and buildings written off		
Equipment written off	1,928	1,762
Library dispositions	53	50
	<u>6,774</u>	<u>5,573</u>
Net increase during year	8,829	6,380
BALANCE AT BEGINNING OF YEAR	<u>111,059</u>	<u>104,679</u>
BALANCE AT END OF YEAR	<u>\$ 119,888</u>	<u>\$ 111,059</u>

S I M O N F R A S E R U N I V E R S I T Y

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 1988

1) SIGNIFICANT ACCOUNTING POLICIES

a) General

These financial statements have been prepared with reference to accounting principles described in the "Guide to Accounting Principles, Practices and Standards of Disclosure for Universities and Colleges of Canada", published by the Canadian Association of University Business Officers (CAUBO).

b) Fund Accounting

Fund accounting procedures are employed in order to recognize restrictions placed on the use of resources by donors, granting agencies, or the Board of Governors. Separate accounts are maintained for each fund to ensure observance of these restrictions. For financial reporting purposes, the Balance Sheet combines the assets and liabilities of all funds.

Funds are classified as expendable or non-expendable. Expendable funds may be expended within applicable restrictions. Non-expendable funds are held to generate investment income or to provide loans to students.

Expendable funds:

- General Operating
Funds for general operations of the University under the direction of the Board of Governors.
- Sponsored Research
Funds in the form of grants, contracts and gifts designated for the support of research activities.
- Specific Purpose
Funds restricted externally or internally for specific projects and purposes.

S I M O N F R A S E R U N I V E R S I T Y
 CHANGES IN GENERAL OPERATING, SPONSORED RESEARCH AND CAPITAL FUND BALANCES
 FOR THE YEAR ENDED MARCH 31, 1988
 (thousands of dollars)

Schedule 1

	General Operating		Sponsored Research		Capital	
	1988	1987	1988	1987	1988	1987
REVENUES AND OTHER ADDITIONS						
Government grants and contracts	\$69,092	\$65,407	\$1,036	\$620	\$8,062	\$7,620
Province of British Columbia	-	-	7,674	7,214	-	-
Government of Canada	-	-	3	29	-	-
Other governments	14,937	12,781	-	-	-	-
Student fees - credit courses	910	618	-	-	-	-
- non-credit courses	679	530	-	-	-	-
- other	40	70	-	-	-	-
Gifts, grants and contracts	1,367	1,417	550	649	19	364
Investment income	487	542	-	-	287	105
Miscellaneous income	-	-	-	-	41	-
Authorized capital borrowings	-	-	-	-	4,793	3,701
Interest earned on sinking fund	-	-	-	-	748	648
	<u>87,512</u>	<u>81,365</u>	<u>9,263</u>	<u>8,512</u>	<u>13,950</u>	<u>12,438</u>
EXPENDITURES AND OTHER DEDUCTIONS						
Salaries-academic	29,970	27,792	626	386	-	-
-other instruction and research	5,142	4,374	4,842	4,663	-	-
-other support staff	24,300	23,385	-	-	-	-
Total salaries	59,412	55,551	5,468	5,049	-	-
Employee benefits	6,861	6,288	291	253	-	-
Travel and personnel costs	2,161	1,969	793	771	-	-
Operating supplies and expenses	6,855	6,674	1,200	1,048	-	-
Equipment and furnishings	1,928	1,841	994	779	3,635	1,920
Equipment and facility rentals	1,661	1,754	19	13	-	-
Library acquisitions	2,064	1,759	-	-	-	-
Utilities	1,912	2,216	7	5	-	-
Scholarships, fellowships and bursaries	3,108	2,544	-	-	-	-
Contract services	1,555	1,508	111	137	-	-
Professional fees	1,460	1,708	21	9	-	-
Renovations and alterations	407	373	-	-	-	-
Debt servicing - interest	-	-	-	-	-	-
- principal	-	-	-	-	-	-
Capital acquisitions	-	-	-	-	151	43
Internal cost allocations	(633)	(465)	-	-	6,312	6,144
External cost recoveries	(2,025)	(1,898)	126	154	2,003	1,849
	<u>86,726</u>	<u>81,822</u>	<u>9,030</u>	<u>8,218</u>	<u>15,971</u>	<u>13,063</u>
TRANSFERS AND APPROPRIATIONS						
Interfund transfers	(1,560)	(540)	53	7	1,204	1,364
Pension plan reserve transfer	-	2,801	-	-	-	-
Change in appropriations (Statement 2)	770	(1,780)	-	-	549	(763)
	<u>(790)</u>	<u>481</u>	<u>53</u>	<u>7</u>	<u>1,753</u>	<u>601</u>
Net increase (decrease) during Year	(4)	24	286	301	(268)	(24)
FUND BALANCES AT BEGINNING OF YEAR	145	121	2,259	1,958	2,035	2,059
FUND BALANCES AT END OF YEAR	<u>\$141</u>	<u>\$145</u>	<u>\$2,545</u>	<u>\$2,259</u>	<u>\$1,767</u>	<u>\$2,035</u>

- Ancillary Enterprises
Funds for the residences and bookstore, which provide goods and services supplementary to the primary functions of teaching and research. These enterprises operate on a self-supporting basis.

- Capital
Funds provided for the acquisition of capital assets, renovations, and repayment of long term debt.

- Non-expendable funds
- Endowment
Funds maintained as principal to generate income for defined purposes.

- Student Loan
A revolving fund from which short-term loans are made to students.

c) Accrual Accounting

The University follows the accrual basis of accounting. Revenue is recorded when receivable and expenditures are recorded when goods or services are received, except that pension payments resulting from early retirement agreements are expensed as payments are made to retired employees or as annuities are purchased on their behalf.

d) Appropriations

Appropriations are established by the Board of Governors to provide for specific requirements in subsequent fiscal years and are released when the related expenditures have been made.

e) Investments

Investments are recorded at cost or, where donated, at fair market value. Gains and losses on sales of investments are recognized in the year of disposal and are included in investment income.

f) Inventories

Inventories of supplies are stated at cost. Inventories of merchandise held for resale are stated at the lower of cost and net realizable value.

g) Plant Assets

Plant asset expenditures of all funds are recorded in the Statement of Changes in Unappropriated Expendable Fund Balances. They are also recorded as assets on the Balance Sheet, except that renovations under \$10,000 and repairs are not capitalized.

11) Comparative Figures

Certain of the 1987 comparative figures have been restated as a result of the prior period adjustment (Note 10) and reclassifications required to conform with the presentation adopted for the current year. Restatements which affect fund balances are:

	Appropriated Expendable Funds (Statement 2)	Unappropriated Expendable Funds (Statement 3)	Equity in Plant Assets (Statement 5)
	(thousands of dollars)		
Balance at March 31, 1986-as previously reported	\$7,275	\$9,041	\$104,429
Prior period adjustment (Note 10)	-	761	-
Reclassifications	-	(3,473)	-
-Retirement benefits reserve (Note 6)	(243)	-	250
-Other	-	-	-
Balance at March 31, 1986-as restated	7,032	6,329	104,679
Net increase for the year ended March 31, 1987-as previously reported	2,510	185	6,380
Prior period adjustment (Note 10)	-	439	-
Reclassifications	-	-	-
-Retirement benefits reserve (Note 6)	-	(367)	-
Balance at March 31, 1987-as restated	\$9,542	\$6,586	\$111,059

The original cost is deleted from the asset and equity accounts as follows:

- land and buildings are deleted upon disposal.
- equipment is deemed to have an average useful life of eight years and is written off in the ninth year.
- library holdings are reduced by estimated disposals and losses during the year.

Land initially granted to the University is recorded at \$1. Land acquired subsequently is recorded at its fair market value at the time of acquisition.

Capital leases are not recorded as assets.

h) Capital Transactions

Borrowings authorized by the Province of British Columbia for capital expenditures are shown under "Revenues and Other Additions" of the Capital Fund. Payments for plant assets, repairs, maintenance and repayment of debt are shown under "Expenditures and Other Deductions".

i) Equity in Plant Assets

The equity in plant assets is increased as resources are used to pay for plant assets or to repay borrowings incurred for asset acquisitions. It is reduced by disposal of plant assets and write-off of equipment and library holdings.

j) University Interests in WCUMBS and TRIUMF

i) The University is one of five university members of the Western Canadian Universities Marine Biological Society (WCUMBS) which operates a research station at Bamfield, British Columbia. The University's annual operating grant to the Society (1988 - \$137,961) is recorded as an expenditure from the General Operating Fund. The accounts of WCUMBS are not included in these statements except that initial contributions in the amount of \$347,000 for capital acquisitions are recorded as plant assets on the Balance Sheet.

ii) The University is one of four parties to a joint venture agreement under which research is conducted at the Tri-Universities Meson Facility (TRIUMF) on the University of British Columbia campus and elsewhere. The facility and its operations are funded by federal government grants and the University makes no direct financial contribution. The accounts of TRIUMF are not included in these statements.

7) Lease Commitment Reserve

The reserve provides for commitments entered into for the occupancy of the University's Harbour Centre facility which include lease payments, tenant loan payments and a contribution towards operating costs. Lease and tenant loan obligations include annual payments of \$1,140,000 commencing in September 1988 increasing to \$1,648,440 over the term of the lease, and a termination payment of \$8,000,000 upon the expiry of the lease in December 2017 or a discounted equivalent of that amount at an earlier date. Funding for this reserve is recorded in Specific Purpose fund revenue on Statement 3.

8) Pension Plans

The University pension plan for academic staff generally provides benefits on a money purchase basis but includes an option to members who were in the plan on March 20, 1973 to choose benefits based on years of service and the average of the highest sixty consecutive months' salary. The latest actuarial valuation as at January 1, 1986 showed an actuarial liability of \$8,388,018 for the formula retirement benefit option and related assets on hand of \$9,225,036.

The University pension plan for administrative and union staff provides benefits based on years of service and the average of the highest sixty consecutive months' salary. The latest actuarial valuation as at January 1, 1986 showed an actuarial liability of \$22,317,536 and assets on hand of \$30,883,167. The surplus is being amortized over a 25 year period using the annuity method and an 8% interest rate. Funding has been adjusted accordingly.

9) Commitments - Capital Fund

Total commitments under contracts for capital projects amounted to \$13,532,000 as at March 31, 1988
(1987 - \$2,230,000).

10) Prior Period Adjustment

Accrued revenue receivable for sponsored research amounted to \$996,304 at March 31, 1988 and is included in revenue on Statement 3. Prior years' revenue for sponsored research was accounted for on a cash basis. To conform with the accrual basis of accounting, the accounts receivable at March 31, 1987 have been increased by \$1,200,762. As a result, revenue for sponsored research in 1987 has been increased by \$439,276 and the fund balance at March 31, 1986 has been increased by \$761,486 which represents the amount receivable at that date.

2) Long-Term Investments

Long-term investments are comprised of the following:

	<u>1988</u>	<u>1987</u>
	(thousands of dollars)	(thousands of dollars)
Vancouver Foundation	<u>\$1,975</u>	<u>\$1,800</u>
Other	<u>354</u>	<u>309</u>
	<u>\$2,329</u>	<u>\$2,109</u>

Market value of the investments at March 31, 1988 was \$2,655,000 (1987 \$2,205,000). Vancouver Foundation investments represent permanently endowed trust funds recoverable from the Foundation.

3) Loans Payable

Loans payable consist of:

	<u>1988</u>	<u>1987</u>
	(thousands of dollars)	(thousands of dollars)
Interim financing	<u>\$5,682</u>	<u>\$1,681</u>
Tenant loan	<u>1,211</u>	<u>-</u>
	<u>\$6,893</u>	<u>\$1,681</u>

The interim financing is for capital projects, as authorized by the provisions of the Educational Institution Capital Finance Act and the Financial Administration Act, and will be retired from proceeds of long-term debt. The tenant loan is for renovations to the University's Harbour Centre facility.

4) Long-Term Debt

Long-term debt consists of the following:

	<u>1988</u>	<u>1987</u>
	(thousands of dollars)	(thousands of dollars)
British Columbia Educational Institutions Capital Financing Authority	<u>\$48,959</u>	<u>\$48,959</u>
Less sinking fund	<u>10,020</u>	<u>8,017</u>
Canada Mortgage and Housing Corporation	<u>32,939</u>	<u>40,942</u>
British Columbia School Districts Capital Financing Authority	<u>3,280</u>	<u>3,313</u>
	<u>3,637</u>	<u>3,705</u>
	<u>\$45,836</u>	<u>\$47,960</u>

4) Long-Term Debt (continued)

a. British Columbia Educational Institutions Capital Financing Authority

These debentures are issued to the British Columbia Educational Institutions Capital Financing Authority under the Educational Institution Capital Finance Act, bearing interest at rates from 9.00% to 16.53% and maturing from 1990 to 2006. Payments to the sinking fund, which is held by the Authority, are based on the discounted present values required to fund repayment of the debentures at maturity. The debentures can be recalled by the Authority upon notice of not less than five months. Sinking fund and interest payments are made with funds received from the Province of British Columbia for that purpose. Annual sinking fund and interest payments due within the next five years amount to \$7,306,000 during the fiscal years ending 1989 to 1991, \$6,897,000 in 1992 and \$6,728,000 in 1993.

b. Canada Mortgage and Housing Corporation

<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Balance Outstanding</u>		<u>Annual Payments (including interest) until maturity</u>
		<u>1988</u>	<u>1987</u>	
Jan 1, 2017	5.375%	\$ 182	\$ 184	\$ 12
Jan 1, 2018	5.875	911	922	65
Jul 1, 2019	6.875	2,187	2,207	171
		\$3,280	\$3,313	\$248

The debentures are secured by a floating charge on the Madge Hogarth, Shell House, and Louis Riel student residences respectively. The residences are recorded on the balance sheet at a cost of \$6,142,000.

c. British Columbia School Districts Capital Financing Authority

<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Balance Outstanding</u>		<u>Annual Payments (including interest) until maturity</u>
		<u>1988</u>	<u>1987</u>	
Dec 10, 1996	9.41%	\$3,637	\$3,705	\$415

The debenture is secured by a floating charge on the McTaggart-Cowan student residence recorded on the balance sheet at a cost of \$4,057,000.

5) Group Insurance Reserve

The reserve represents funds designated for extraordinary requirements relating to self-insured group life and long-term disability plans. Current requirements are funded from the General Operating Fund on a cost of claim plus fee for services basis.

6) Retirement Benefits Reserve

This reserve provides for early retirement benefit obligations and pension benefit supplements. The funds representing the reserve were included in the Specific Purpose fund balance (Statement 3) as at March 31, 1987.