



FINANCIAL REPORT TO THE BOARD OF GOVERNORS

2020-2021

Table of Contents

Management Discussion and Analysis

1. FINANCIAL HIGHLIGHTS OF THE YEAR	I
2. OPERATING ENVIRONMENT	II
3. USING THE FINANCIAL REPORT	IV
4. AUDITED FINANCIAL STATEMENTS	V
5. SYSTEM-WIDE FINANCIAL METRICS	VIII
6. CAPITAL INVESTMENTS AND FACILITY RENEWAL	IX
7. CONCLUSION	IX

1. Financial Review

1.1 GENERAL OPERATING FUND – SCHEDULE 1	1
1.2 ANCILLARY OPERATIONS – SCHEDULE 2	2
1.3 STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)	3

2. Internal Statement of Operations

2.1 OPERATING INCOME	3
2.1.1 GOVERNMENT OPERATING GRANTS	4
2.1.2 TUITION FEES - CREDIT PROGRAMS	4
2.1.3 MISCELLANEOUS INCOME	5
2.1.4 INVESTMENT INCOME	6
2.1.5 DEPARTMENTAL INCOME	6
2.2 OPERATING EXPENDITURES, TRANSFERS, AND APPROPRIATIONS	7
2.2.1 OPERATING EXPENDITURES AND TRANSFERS	7
2.2.2 APPROPRIATIONS	9
2.2.3 OPERATING RESULTS	11
2.2.4 ACCUMULATED SURPLUS	12
2.3 ANCILLARY OPERATIONS - OPERATING RESULTS AND FUND BALANCES	12
2.4 OTHER INCOME AND EXPENDITURES	13
2.4.1 PLANT INCOME AND EXPENSES	13
2.4.2 RESEARCH FUNDING AND EXPENDITURES	14
2.5 RECONCILIATION OF OPERATING RESULTS	16

3. Consolidated Statement of Financial Position (Balance Sheet)

3.1 SOURCE AND APPLICATION OF UNIVERSITY RESOURCES	18
3.2 SOURCE OF RESOURCES.....	19
3.2.1 ACCOUNTS PAYABLE.....	19
3.2.2 DEFERRED REVENUE.....	19
3.2.3 CURRENT PORTION OF LONG-TERM DEBT	20
3.2.4 ACCRUED LEAVE	20
3.2.5 EMPLOYEE FUTURE BENEFITS LIABILITY	20
3.2.6 LONG-TERM DEBT	21
3.2.7 NET ASSETS, PROVIDING A SOURCE OF RESOURCES	21
3.3 APPLICATION OF RESOURCES	23
3.3.1 CASH AND SHORT-TERM INVESTMENTS	23
3.3.2 ACCOUNTS RECEIVABLE.....	23
3.3.3 PREPAID EXPENSES	25
3.3.4 CURRENT PORTION OF NET INVESTMENT IN LEASE	25
3.3.5 NET INVESTMENT IN LEASE	25
3.3.6 INVESTMENTS.....	25
3.3.7 CAPITAL ASSETS, INVESTMENT IN CAPITAL ASSETS, DEFERRED CAPITAL CONTRIBUTIONS	26
3.3.8 ART COLLECTION, INVESTMENT IN COLLECTION	27
3.3.9 NET ASSETS, REQUIRING AN APPLICATION OF FUNDS.....	28
 GENERAL OPERATING FUND – COMPARISON TO BUDGET	 SCHEDULE 1
CARLETON UNIVERSITY ANCILLARY OPERATIONS	SCHEDULE 2

FINANCIAL HIGHLIGHTS OF THE YEAR

The 2020-21 Financial Report to the Board of Governors is hereby submitted. The university's audited financial statements, prepared in accordance with Canadian accounting standards for non-profit organizations, received an unqualified opinion from the external auditors (KPMG), and no differences (adjusted or unadjusted) were identified. The highlights from Carleton's Statement of Operations and Financial Position are detailed below.

Statement of Operations

Fiscal year 2020-21 was marked by an unprecedented operational challenge with the impact of the COVID-19 global pandemic. With the shutdown of campus, courses had to be offered remotely. As compared to the fall of 2019, where 86 of 4,082 courses were offered online, 4,094 courses were offered in the fall of 2020, all of which were offered online.

From a financial performance point of view, the university's general operating budget fared quite well. The additional tuition revenue from summer and part-time enrolment exceeded the loss in revenue from the decline in first-year, full-time enrolments in the fall/winter of 2020. Fee revenues were \$7.3 million over budget, despite domestic tuition fees being frozen in 2020-21, after a 10% decrease in 2019-20.

In addition, the losses experienced in fiscal 2019-20 due to the effect of the pandemic on capital markets, was followed by strong gains this fiscal year in equity investments. This resulted in a substantial positive variance in investment revenue compared to the previous year (\$35.3 million), and budget (\$34.5 million).

The majority of ancillary units did not fare as well as general operations in 2020-21 due to the pandemic. Housing, Conference and Dining, Recreation and Athletics, Parking Services, and The Print Shop collectively contributed \$15.4 million towards a total annual deficit for ancillaries of \$18.9 million. While these losses are substantial, draws on reserves built up over the years has prevented most the units from accumulating deficits. Recovery plans have been formulated and continue to be adjusted as campus life is expected to return to normal.

At a high level, consolidated revenues on the audited Statement of Operations were \$5.8 million higher than in 2019-20, and expenses \$6.8 million higher, primarily due to increased compensation expense that was marginally offset by savings in travel-related costs.

Despite the difficult financial context, Carleton was able to achieve positive financial results in accordance with Canadian accounting standards for non-profit organizations, with excess revenues over expenses on a consolidated basis of \$39.1 million as compared to \$40.1 million in 2019-20.

Research funding received continues to set new records, with \$99.7 million received in 2020-21 compared to \$89.4 million in the previous year. Actual research expenditures of \$84.8 million for sponsored research in 2020-21 supports Carleton's research in the areas of the humanities, science, engineering and business.

Statement of Financial Position

The university continues to be in a strong cash position with \$603.8 million in operating cash and marketable securities, compared to \$543.7 million one year earlier.

During the year, \$59.9 million was invested in capital assets, which saw the near completion of the Sprott School of Business Nicol Building. Work is also well underway towards the construction of the Engineering Design Centre. Due to COVID-19, construction of the new student residence was paused during 2020-21 so that we could have better visibility on future demand, but will push forward in the coming year. The university also continues to address its deferred maintenance backlog, with \$21.0 million spent on renovating facilities, \$6.3 million more than the previous year.

Unrestricted net assets almost exclusively represent the liability associated with employee future benefits. The major decrease in this liability is mainly due strong equity markets that turned a \$73.4 million pension liability, on an accounting basis, as at April 30, 2020 into a \$82.5 million asset as at April 30, 2021.

Internally restricted net assets (\$461.9 million) represent reserves available to faculties and departments, as well as specific centrally established reserves, including reserves for capital expenditures, and future pension liabilities.

The endowment fund assets also saw a significant increase year over year of \$54.4 million, mainly due to realized and unrealized investment gains.

Overall, the university's assets, and combined liabilities and net assets grew by \$133.1 million to \$1.73 billion.

OPERATING ENVIRONMENT

Full-time equivalent (FTE) students attending Carleton during 2020-22 totaled 29,522, an increase from the previous year, at both the overall undergraduate and graduate levels. The FTEs for new first-year students in fall 2020 decreased by nine per cent.

Enrolment patterns were very different during the 2020-21 academic year as a result of the pandemic. Notably, more students enrolled in summer 2020, with an increase of 21% FTEs, which added substantially to the annual FTE counts. Additionally, more undergraduate students registered as part-time students throughout the academic year, resulting in a 20% increase in part-time undergraduates.

The existing provincial tuition fee framework required domestic tuition fees to remain frozen at the 2019-20 level, but as noted above, the exceptional summer enrolment resulted in tuition revenue exceeding budget by \$7.3 million, and overall, were \$15.6 million higher than last year.

In August 2020, Carleton and MCU signed the next Strategic Mandate Agreement (SMA3), which covers a period of five years (2020-25), and beginning in 2022-23 will gradually introduce performance-based funding built on metrics that are meant to reflect priorities of the government in areas of skills development, job outcomes, and economic/community impacts. The goals and priorities identified by the government for the post-secondary sector already occupy an important part of Carleton's priorities, such as improving graduation rates, skills development towards higher employability, and research.

Under SMA3, the variable performance-based funding will start at 25% of operating grants and go up to 60% by the last year of the SMA.

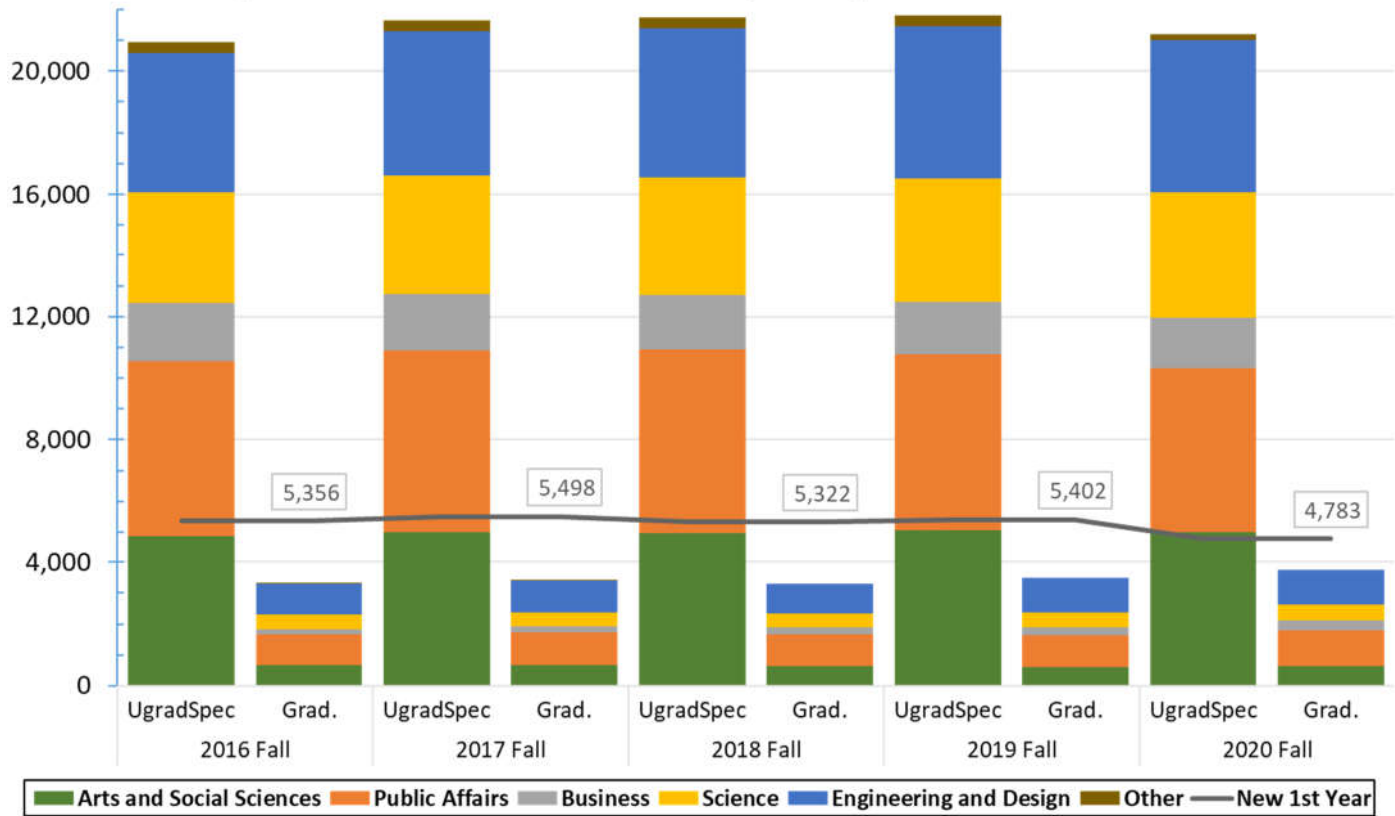
Because of the pandemic disruption, activation of performance-based funding was paused for a minimum of two years (2020-21 and 2021-22). As such, government funding at \$175.9 million, was essentially unchanged from 2019-20.

The other key regulatory provision affecting Carleton's operations in 2020-21 was the Ontario government's, *Protecting a Sustainable Public Sector for Future Generations* (Bill 124). This legislation effectively capped broader public sector wage increases to an average of one per cent annually for a three-year period, starting in 2019. In the past year, the university has successfully negotiated settlements with the following unions:

- CUPE 2424, Carleton University Support Staff Association
- CUASA, Carleton University Academic Staff Association
- CUPE 910, Operational and Maintenance Staff
- CUPE 3778, Central Heating Plant Staff
- OPSEU 404, Safety Staff

It remains that COVID-19 has had the most pervasive impact on the operations of the university. Carleton quickly adopted appropriate health and safety measures to protect students, staff, and visitors, and after a rapid shift to remote teaching and learning, research, and administrative work in March 2020, the university continued to provide exceptional service throughout the 2020-21 fiscal year. Although the financial effects of COVID-19 were minimal for the core instructional operations, the university's ancillary units were profoundly impacted by the restrictions put in place to limit the spread of COVID-19. Healthy reserves in both the general and ancillary operations allowed Carleton to weather this unprecedented situation in 2020-21, and the capacity to be able to face financial pressures in 2021-22, should they arise. Management continues to work closely with its key stakeholders to ensure the safety of students, staff, and visitors, and the financial sustainability of the university.

Undergraduate and Graduate Enrolment by Faculty - Fall Full-time - 2016-2020



Office of Institutional Research and Planning - Jul. 20, 2021

USING THIS FINANCIAL REPORT

The annual Financial Report needs to be read in conjunction with the associated Audited Financial Statements.

The accumulated balances for the operating, ancillary and plant funds described in the Financial Report match those shown in the Audited Financial Statements - Consolidated Statement of Changes in Net Assets. However, the financial information related to operating results is presented on a separate basis from the financial statements - Consolidated Statement of Operations. This complementary basis of reporting provides management with information needed to support operating decisions and assess financial performance against budgets approved by the Board of Governors. The significant differences between information provided in the Financial Report and the Consolidated Statement of Operations relates to the treatment of capital expenditures, internal appropriations, and contributions to the university's endowment funds.

For capital acquisitions, the university internally accounts for the expenditures on a cash basis, as this provides a better link between funding sources and budgets. However, under generally accepted accounting principles, the audited financial statements include only the calculated amortization expense for capital assets, based on the expected life of the asset.

Appropriations represent commitments that are internally recognized as charges against the current operating results in the Financial Report, whereas they are excluded from expenditures in the Consolidated Statement of Operations (income statement) and instead are

shown as internally restricted assets in the Consolidated Statement of Financial Position (balance sheet). Internally restricted assets cover specific reserves for future commitments such as pension, capital projects, ongoing research initiatives, or carry-forward budget balances available for future purposes. This is seen as an effective institutional policy in the management of financial resources, as it allows managers to plan expenditures over a period that extends beyond the fiscal year.

Concerning endowment funds, internal matching contributions to any endowment (externally restricted or Board designated) are not included as expenditures in the Consolidated Statement of Operations, but as direct increases to endowed net assets offset by decreases to unrestricted net assets. For internal purposes, and as reported in the Financial Report, the university considers these as expenditures. Similarly, income or losses on Board designated endowments are not included in the Financial Report's operating results, but are on the Consolidated Statement of Operations.

A reconciliation of the audited Consolidated Statement of Operations to the Financial Report internal operating results is shown below.

Section 2.5 of the Financial Report provides further details on the differences between the audited Consolidated Statement of Operations and the Financial Report. In addition, Schedule 1 of the Financial Report provides specific financial analysis of operating income and expenses as compared to the 2020-221 operating budget approved by the Board of Governors.

	2020-21	2019-20
Excess of revenue over expense (per audited statements)	\$ 39.1 M	40.2 M
Net change in investment in capital assets	\$ (33.9 M)	(25.3 M)
Decrease/(Increase) in internal appropriations	\$ (13.4 M)	58.1 M
Internal contributions to endowment	\$ (3.4 M)	(4.7 M)
Employee future benefit expense net of cash payment	\$ 12.9 M	(68.9M)
Other items*	\$ (1.3 M)	0.1 M
Excess of expense over revenue per Financial Report	\$ <u>nil</u>	<u>(0.5M)</u>
Accumulated surplus	\$ nil	nil

*Other items include the treatment of unrestricted endowment earnings/losses

AUDITED CONSOLIDATED FINANCIAL STATEMENTS

The audited financial statements combine all activities of the university (general operating, ancillary, research, capital, trust) into one statement, and should be read in conjunction with the Financial Report, which highlights key operating income and expenses as compared to the approved 2020-21 Operating Budget.

As shown in the Consolidated Financial Statements, the university generated an excess of revenue over expenses of \$39.1 million in 2020-21. This surplus reflects timing differences in the recognition of operating expenses as described previously.

The university's consolidated revenue of \$671.6 million increased \$5.8 million (0.9%) from the previous year, while consolidated expenses increased \$6.8 million to \$632.4 million (1.1%).

The main contributor to the higher revenue was the rebound in the investment markets, earning the

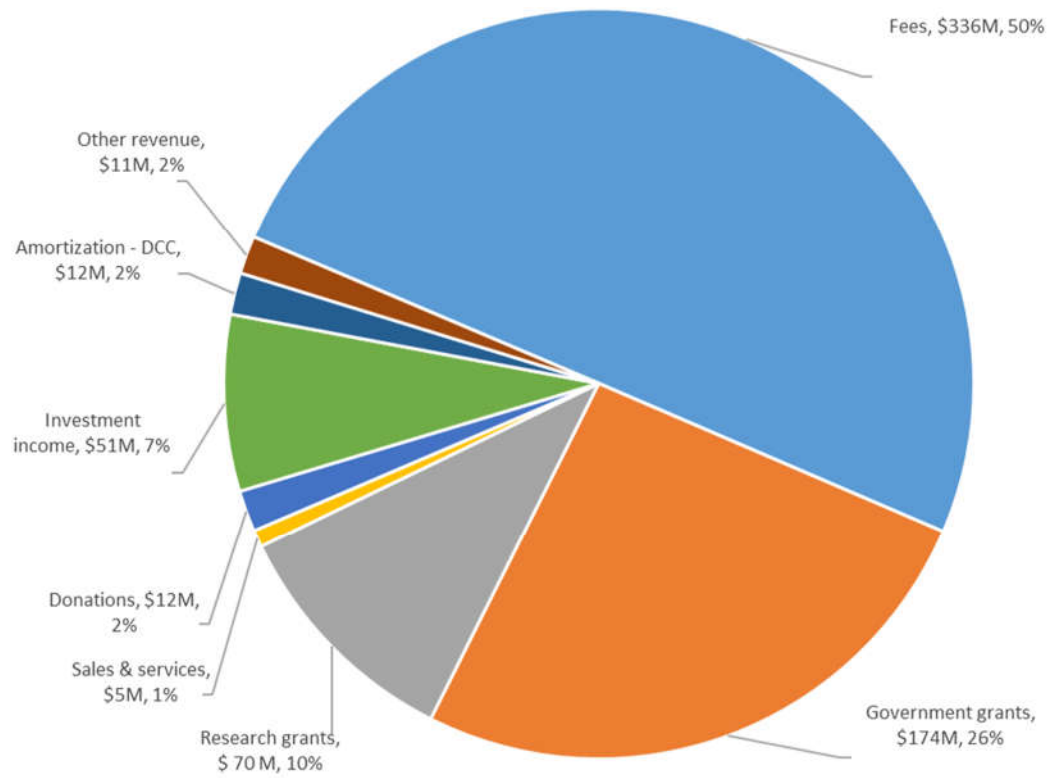
university an additional \$35.7 million, which offset the pandemic related losses in ancillary sales and service revenue. Higher expenses were mostly related to salaries and student support.

Research grants and contracts recognized in the financial statements totaled \$69.5 million, while deferred research revenues climbed \$14.9 million to \$61.2 million, reflecting the success of Carleton's efforts to expand research activities.

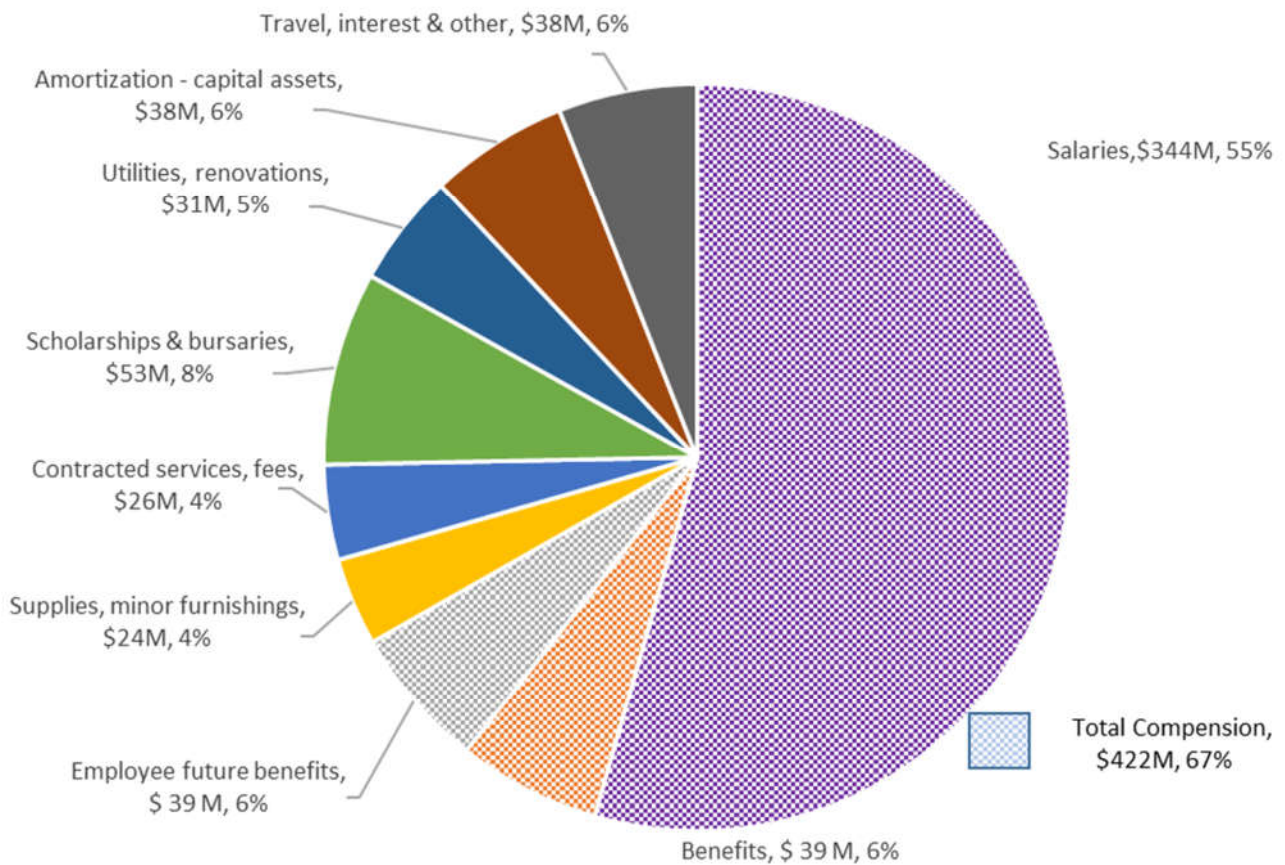
Salaries and benefits, at \$422.2 million, form the largest part of the university's consolidated expenditures, accounting for 67% of total expenses. This represents an increase of \$28.2 million (7.1%) over 2019-20.

The following charts illustrate the sources of consolidated revenue and expenditures for 2020-21.

2020-21 Consolidated Revenue: \$671 million



2020-21 Consolidated Expenses: \$632 million



The university's net assets increased by \$300.0 million to \$1,207.0 million, or 27.5% more than the previous year. This increase reflects the \$39.1 million excess of revenues over expenses, \$49.7 million in endowment contributions and investment gains, as well as the \$170.6 million positive adjustment for employee future benefits.

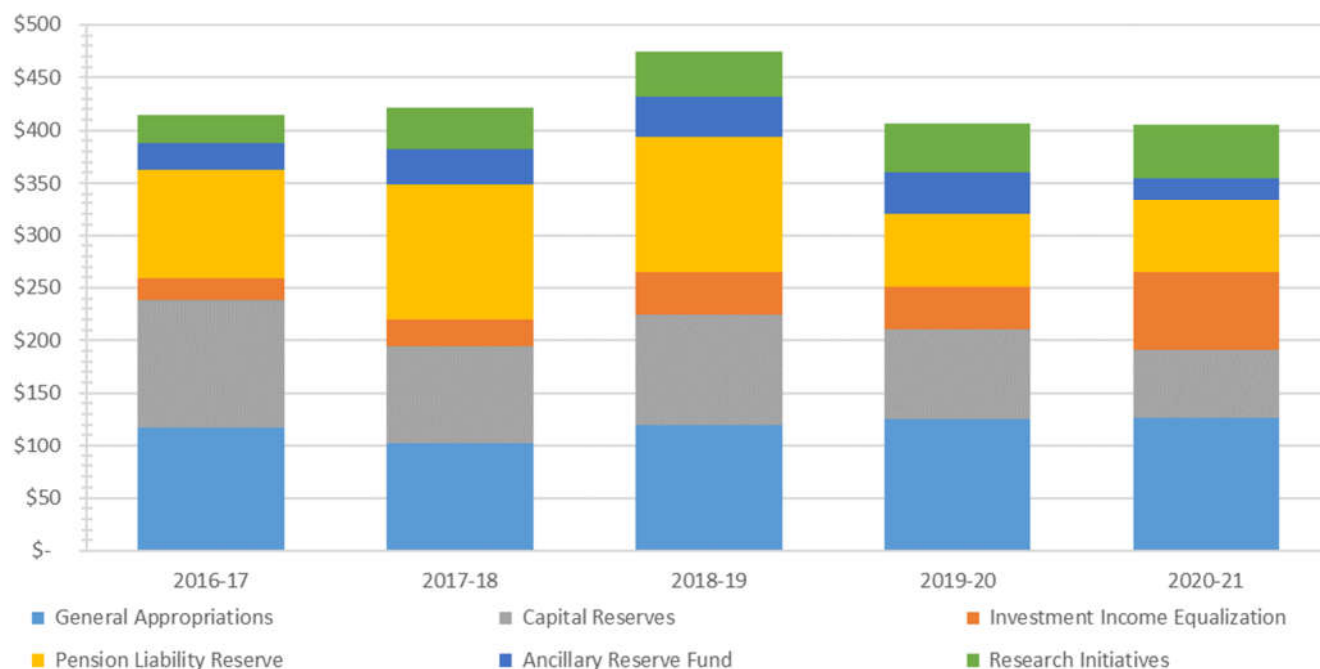
Additional investments in capital assets of \$59.9 million included major projects such as the Nicol Business Building, the Engineering Design Centre and new facility, and a multi-year building modernization program (deferred maintenance).

Endowed net assets reached \$353.0 million on April 30, 2021, after income distributions of \$12.7 million. The majority of endowment distributions were to support student initiatives including scholarships and bursaries.

Donation revenue recognized during the year amounted to \$12.0 million. In addition, direct donor contributions to endowment funds totaled \$8.0 million. Contributions from donors form a vital part of the university's annual operations and help finance student activities and financial aid.

Internal reserves are shown in the Consolidated Statement of Financial Position as internally restricted assets. The chart below shows the change in these reserves over the last five years, with the largest change being associated with drawdown of capital and ancillary reserves and the growth in the investment income equalization reserve.

Internally Restricted Assets



More details on the balances within the Consolidated Statement of Financial Position can be found in section 3 of the Financial Report.

The ministry and the university recognize that financial sustainability is critical to ensure a healthy post-secondary education system.

To that end, certain system-wide financial metrics have been developed and are being tracked as part of the government SMA framework. These financial metrics, shown below, demonstrate that Carleton is in good financial health, and well positioned to address strategic opportunities and external funding disruption.

System-Wide Financial Metrics*

	2018-19	2019-20	2019-20 (Sector Average)
Net Income/Loss Ratio (Profitability Indicator)	14.6%	6.0%	3.9%
Primary Reserve Ratio (days) (Ability to operate using unrestricted reserves)	313	266	125
Viability Ratio (Ability to cover long-term debt using unrestricted assets)	8.1	7.7	1.3
Interest Rate Burden Ratio (Proportion of total expenses to cover Interest payments)	0.6%	0.5%	1.9%

* Source: Council of Ontario Financial Officers (COFO), March 2021

CAPITAL INVESTMENTS AND FACILITY RENEWAL

Carleton continues to invest in renewing the campus infrastructure and fund new projects to meet the growing needs of its community. During 2020-21, the university spent \$21.0 million on various renovation and infrastructure projects, including projects addressing campus-wide deferred maintenance and continued implementation of Carleton's Transportation Plan to facilitate traffic flow on campus.

Major capital projects underway this year include the near completion of the Sprott School of Business Nicol Building (\$65.1 million), and two new facilities for the Faculty of Engineering and Design: the Sustainable Research Centre (\$120.0 million) and the Engineering Design Centre (\$11.0 million). Construction of the new student residence (\$100.0 million) is expected to move forward in 2021-22 after being put on pause awaiting more visibility on future enrolment demand.

During the year, the university also made investments in, and strived to maintain progress in environmental and sustainability issues. Since the launch of the first Sustainability Plan in 2013, Carleton has made progress through a number of key programs including the creation of a university-wide Energy Master Plan, which has delivered significant carbon emission reductions. Various other initiatives have resulted in achieving silver rating for AASHE Sustainability Tracking and Assessment Rating System (STARS) program, becoming a certified Fair Trade campus, and Carleton being ranked second in Canada and 35rd globally among universities in the UI Green Metric international ranking system.

CONCLUSION

The fiscal year 2020-21 will be recorded as one of the most – if not the most - operationally challenging years in the history of Carleton University. The global pandemic affected every facet of the university's operations, including an entirely remote course offering, and the virtual closing of the campus to students, faculty and staff who were obliged to study or work from home.



Cindy Taylor
Vice-President (Finance & Administration) - Interim
September 2021

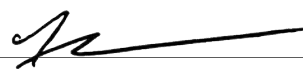
Despite the pandemic, the operating budget results were better than the planned break even and forecasted \$5 million surplus, mainly due to the rebound in equity markets and the increase in summer enrolment.

The ancillary operations did not fare as well as the general operating units however, as providing on campus goods and services is the mainstay of the majority of units. Housing and Conference, Dining, Parking, and Recreation and Athletics all suffered major losses due to reduced revenues. Only Health and Counselling Services and the Carleton Dominion-Chalmers Centre managed to end the year with small surpluses. In most cases, ancillary units had reserves set aside for future capital needs that were reduced by the negative operating results of 2020-21. To this end, the university committed \$22.5 million from the capital reserves to assist ancillary units with deferred maintenance projects.

The university continues to manage the impact of COVID-19 and currently has a detailed return to campus plan for the fall of 2021. Barring any subsequent waves of the pandemic, it is hoped that a return to normalcy is in the not too distant future.

While the pandemic has stalled the government's plan to activate performance-based funding until at least 2022-23, the university must follow its progress closely in relation to the metrics identified as those that will dictate funding changes.

The university's balance sheet remains strong, with high levels of cash and equivalents, internally restricted funds (i.e. reserves). While some of the financial sustainability metrics that are tracked in the SMA process are less favourable for Carleton year over year, they remain strong relative to the average of all Ontario universities.



Tim Sullivan, BA, CPA, CGA
Chief Financial Officer - Interim
September 2021

Consolidated Financial Review

1.1 General Operating Fund

The net 2020-21 results for the Operating Fund (section 2.2.3), showed a surplus of \$44.8 million from the break-even opening budget. The operating surplus came mostly from strong investment returns along with slightly higher tuition revenue and miscellaneous income along with lower expenditures in areas of enrolment incentives, utilities and holds on new hirings in the early months of the pandemic. The \$34.5 million of surplus related to investment income was appropriated into the investment income equalization fund, as mandated by the Board, and \$10.3 million is currently unallocated. A proposal for its allocation will be made to the Board in the fall of 2021.

Schedule 1 provides a comparison of the General Operating Fund actual results to the opening budget.

As previously indicated, the basis of reporting for the university's Operating Fund is different from the audited Consolidated Statement of Operations. One of the area of difference includes the treatment of internal appropriations, which are recognized as charges against the current operating results. Section 2.2.2 provides details of the change in appropriated balance from 2019-20, which amounted to an increase of \$27.7 million. Schedule 1 reports this change as an adjustment to total operating expenditures. The major item affecting the increase in appropriations for 2020-21 relates to the appropriation of investment returns over the established budget.

Total operating income exceeded budget by \$46.5 million. The favorable variance to budget came about from additional government grants (\$3.5M), student fees (\$7.3M), investment income (\$34.5), and miscellaneous and departmental income (\$1.2M). Of the additional operating income received, \$3.9 million was specifically designated to be spent on student aid, accessibility and Indigenous education and training.

Section 2.2.3 provides further details on the operating income budget variances

Operating expenses were higher than budget by \$46.5 million, including the \$3.9 million in directed expenditures noted above. Areas of favourable spending include enrolment incentives, salaries and benefits, and utilities. Section 2.2.1 provides further details.

Additional contingency savings	\$ (3.6) million
Overspent balances	\$ 1.4 million
Directed expenditures	\$ 3.9 million
New appropriations	<u>\$ 44.8 million</u>
Expenditures in excess of budget	\$ 46.5 million

New appropriations of \$44.8 million were recognized at year-end and include \$34.5 million towards the investment income equalization reserve and \$10.3 million remains unallocated. New appropriations are included as charges against the current year's operations and therefore reduce the net operating results.

1.2 Ancillary Operations

Ancillaries are expected to generate sufficient revenue from user fees and external sources to cover the cost of providing services to the university community. Ancillaries are also expected to generate sufficient annual operating surpluses to be held in reserve for future capital expenditures, service expansion, and addressing any deferred maintenance requirements.

In 2020-21, total ancillary revenues amounted to \$25.7 million, as compared to the budget, set before the onset of the pandemic, of \$71.6 million. The revenue shortfall can be attributed to lost revenue associated with the COVID-19 pandemic. As the majority of ancillary services are offered in person, physical distancing requirements had a significant impact on the university's ability to offer these services and associated revenues were impacted accordingly. Housing and Residence Life and Dining Services accounted for the majority of the shortfall. Housing and Residence Life adapted their offering for September 2020 by providing single room occupancy only, however the demand was significantly lower and only 30% of beds were filled. During 2020-21 all but three retail dining locations were closed for most of the year. In addition due to decreased demand for residence accommodations there were only 1,000 students on a meal plan. Recreation and Athletics also earned less revenue than budgeted due to facility closures due to lockdowns, which resulted in the loss of athletics program and membership fee revenue, rental income, and general sales. Student athletic fees were reduced to 50% for the fall and winter and no athletic fees were charged for spring/summer terms. Parking Services earned less revenue than budgeted due to the suspension of parking charges effective April 1, 2020.

Expenditures for 2020-21 totalled \$44.6 million, as compared to budget of \$69.9 million. The majority of the savings can be attributed to lower operating costs associated with the COVID-19 pandemic. The remainder of the cost reductions as compared to budget can be attributed to an \$11 million transfer from operating for deferred maintenance costs.

The combined deficit for all ancillaries totalled \$18.9 million for 2020-21, resulting in a total accumulated surplus of \$21.9 million as at April 30, 2021.

Additional information for ancillary operations is provided in section 2.3 and a summary of financial results is presented on Schedule 2 at the end of this report.

1.3 Statement of Financial Position (Balance Sheet)

Cash and cash equivalents and marketable securities increased by \$60.1 million in 2020-21, which is due to mainly to the increases in deferred revenue of \$29.9 million and internally restricted net assets of \$12.9 million.

The overall change in internally restricted assets resulted in an increase of \$12.9 million, and was comprised of several significant changes. The ancillary reserve was reduced by \$18.9 million in an effort to cover pandemic-related losses, and there was a \$21.4 million net draw on the capital reserve to fund ongoing building projects, namely the Nicol Building. Offsetting these decreases were additions to general appropriations, as expenditures were delayed in many normal operational circumstances, and to the investment income equalization reserve, as noted above.

Investments in capital assets made during the year totaled \$59.9 million. These investments relate to building improvements across campus, as well as new builds such as the Nicol Building, and the Faculty of Engineering and Design's two new buildings.

2. INTERNAL STATEMENT OF OPERATIONS

The Consolidated Statement of Operations presented in the audited financial statements records income and expenses in accordance with Canadian accounting standards for not-for-profit organizations, as defined by the Chartered Professional Accountants (CPA) of Canada. These statements combined all the activities of the university into one statement, whereas the management and internal review of such activities are segregated into "funds".

As management requires specific financial information for budgeting and monitoring purposes, operating income and expenses are accounted for differently for internal uses, as shown in Schedule 1 of this report.

These internal management statements provides a comparison of actual results to the 2020-21 operating budget, as approved by the Board of Governors. A reconciliation of internal management statements to the audited financial statements is provided in section 2.5.

Sections 2.1 and 2.2 below provide a review of Schedule 1 operating income and expense variances as compared to the approved 2020-21 operating budget. A similar review is provided in sections 2.3 and 2.4 for ancillary services, plant, and research activities.

2.1 Operating Income

Operating income totaled \$548,020,000 in 2020-21, compared to the opening budget of \$501,552,000 and previous year income of \$502,782,000. Total operating income was therefore \$46,468,000 (9.3%) above budget and \$45,238,000 (9.0%) above the previous year. If we excluded additional income restricted to specific expenditures such as student aid, accessibility, and Indigenous education and training, operating income was above budget by \$42.6 million.

	2020-2021 <i>Actual</i> \$000	2020-2021 <i>Budget</i> \$000	<i>Variance</i> <i>from Budget</i> \$000	2019-2020 <i>Actual</i> \$000
Revenues	(548,020)	(501,552)	(46,468)	502,782
Items offset by expenditures (section 2.2.1)	(3,902)	-	(3,902)	6,070
Net Revenues	(544,118)	(501,552)	(42,566)	496,712

Each category of income is reviewed in more details below, with a summary provided in Schedule 1.

2.1.1 Government Operating Grants

Government operating grants of \$175,947,000 were \$3,464,000 (2.0%) above original budget, and \$442,000 (0.3%) more than the previous year. A comparison to the budget is provided below:

	<i>2020-2021 Actual \$000</i>	<i>2020-2021 Budget \$000</i>	<i>Incr/(Decr) from Budget \$000</i>	<i>2019-2020 Actual \$000</i>
<u>Items Affecting the Operating Result</u>				
Core Operating Grant	124,729	124,656	73	151,517
International Student Recovery	(2,977)	(2,941)	(36)	(2,894)
Accessibility/Performance Funding	42,623	42,593	30	14,364
Research Overheads	5,292	5,093	199	5,390
Other government grants	1,997	2,008	(11)	2,401
Subtotal	171,664	171,409	255	170,778
<u>Items offset by expenses</u>				
Student Aid & Support Funds	2,604	-	2,604	2,927
Access for Persons with Disabilities	1,387	1,074	313	1,197
Indigenous Education and Training	328	-	328	295
Research Overheads	(382)	-	(382)	-
Other Government Grants	346	-	346	308
Subtotal	4,283	1,074	3,209	4,727
Total Government Grants	175,947	172,483	3,464	175,505

Omitting special purpose grants, the operating revenue from the Ministry of Colleges and Universities was \$255,000 above budget. Once again, the university will see more of its grant funding tied to the performance envelope, as compared to the prior year. Overall, operating grants remain consistent.

As explained in section 2.2.1 below, a portion of the increase in grant revenue that is attributable to enrolment growth is shared with the faculties via the Enrolment-Linked Budget Allocation (ELBA).

2.1.2 Tuition Fees – Credit Programs

Tuition income totaled \$309,328,000 in 2020-2021. This represents an increase of \$15,567,000 (5.3%) from the previous year, and \$7,266,000 (2.4%) more than budget. Details of the increase from the previous year are as follows:

	<i>Budget 2020-2021</i>	<i>Tuition Income (\$000)</i>		<i>Increase/Decrease</i>	
		<i>2020-2021</i>	<i>2019-2020</i>	<i>\$000</i>	<i>%</i>
Undergraduate - Domestic	161,940	166,752	160,938	5,814	3.6%
Undergraduate - International	100,943	102,473	94,447	8,026	8.5%
	262,883	269,225	255,385	13,840	5.4%
Graduate - Domestic	20,589	22,190	20,890	1,300	6.2%
Graduate - International	18,590	17,914	17,486	428	2.4%
	39,179	40,104	38,376	1,728	4.5%
Total	302,062	309,329	293,761	15,568	5.3%

Tuition fees vary based on the discipline of study, as well as the residency status of the student. The 3.3% increase in enrolment from the previous year is detailed below:

	<i>Enrolment (F.T.E.)</i>		<i>Increase/Decrease</i>	
	<i>2020-2021</i>	<i>2019-2020</i>	<i>#</i>	<i>%</i>
Undergraduate - Domestic	21,564	20,801	763	3.7%
Undergraduate - International	3,206	3,169	37	1.2%
	24,770	23,970	800	3.3%
Graduate - Domestic	3,752	3,630	122	3.4%
Graduate - International	1,000	982	18	1.8%
	4,752	4,612	140	3.0%
Total	29,522	28,582	940	3.3%

The increase in overall tuition revenue is due to strong summer enrolment in 2020, as borders closed and employment opportunities were limited for students. While the number of first year students dropped 11% in 2020-21, and fees for domestic students remained frozen, overall enrolment growth due to flow-through helped offset these factors.

2.13 Miscellaneous Income

Miscellaneous income totaled \$12,533,000 in 2020-21, exceeding budget by \$807,000, but was \$4,001,000 less than the previous year. Miscellaneous income consists of non-tuition related administrative fees and charges, recoveries from ancillary services and parties external to the university, and certain non-credit operations. Details are as follows:

	<i>2020-2021 Actual</i>	<i>2020-2021 Budget</i>	<i>Incr/(Decr) from Budget</i>	<i>2019-2020 Actual</i>
	<i>\$000</i>	<i>\$000</i>	<i>\$000</i>	<i>\$000</i>
<u>Items affecting the operating result</u>				
Application and admission fees	3,231	2,825	406	3,172
Deferred payment and processing fees	1,904	2,223	(319)	2,436
Omnibus fee	1,343	1,230	113	1,161
Overhead charges	3,616	3,642	(27)	4,081
Facility rentals	816	776	40	1,146
Claim Settlement	-	-	-	-
Career Placement Services	309	285	24	293
Commission income	323	235	88	298
Library and other fines	-	10	(10)	2
Other miscellaneous	768	500	269	788
Subtotal	12,309	11,726	583	13,377
<u>Items offset by additional expenditures</u>				
Insurance proceeds	201	-	201	3,057
Other	23	-	23	100
Subtotal	224	-	224	3,157
Total Miscellaneous Income	12,533	11,726	807	16,534

The Insurance proceeds relate to the losses incurred from the Steacie building fire in March of 2019, and were mostly recovered in the prior year.

2.14 Investment Income

Investment income amounted to \$42,712,000 in 2020-21, above budget by \$34,462,000 and \$35,302,000 more than the previous year. The positive investment returns relate to the rebound in the equity markets after the downturn in March of 2020. Realized investment returns totaled \$14.2 million and unrealized gains at the end of the fiscal year amounted to \$28.5 million.

To mitigate the risks associated with market returns fluctuation, the Finance Committee approved in 2017-18 the creation of an Investment Income Equalization Fund. Investment returns in excess or below budgeted investment income are appropriated to/from this fund. As such, \$34,462,000 was added to the reserve in 2020-21. The total reserve now stands at \$74,314,000 as of April 30, 2021.

2.15 Departmental Income

Departmental income relates to sales and rentals that are under the responsibility of departmental managers. Generally, any shortfalls in income as compared to budget must be matched by a corresponding decrease in expenditures in the department concerned, while any income in excess of budget is available for additional expenditure. Variations in departmental income should not therefore generally affect the overall operating results of the university.

The following items are included in departmental income:

	<i>2020-2021 Actual \$000</i>	<i>2020-2021 Budget \$000</i>	<i>Incr/(Decr) From Budget \$000</i>	<i>2019-2020 Actual \$000</i>
<u>Items offset by additional expenditures</u>				
Co-op and Career Services	3,182	3,012	170	2,742
Student Work Placement Program	1,427	7	1,420	-
Teaching and Learning Services	9	1,066	(1,057)	1,249
Information Technology Services (ITS)	3	23	(20)	305
Centre for Initiatives in Education	690	697	(7)	870
Salary recoveries	664	742	(78)	1,164
Student Experience Office	265	265	-	676
Alumni and external contributions	134	83	51	732
General sales	524	589	(65)	754
Facilities	425	527	(102)	572
Other	177	20	157	508
Total Department Income	7,500	7,031	469	9,572

22 Operating Expenditures, Transfers, and Appropriations

The Operating Fund expenditures and transfers, before appropriations, totalled \$520,295,000 in 2020-21, and were \$18,743,000 (3.7%) above the opening budget, and \$47,940,000 (8.4%) less than the previous year. When including 2020-21 return of appropriations of \$27,725,000, expenditures were \$46,468,000 more than the budget.

A breakdown of the expense variances to budget are shown below.

22.1 Operating Expenditures and Transfers

Expenses and Transfers above the original budget are calculated as follows:

	<u>\$000</u>
Actual operating expenditures and transfers	520,295
Opening budget	<u>501,552</u>
Expenditures above budget	<u>18,743</u>

The items making up the \$18,743,000 increase in expenditures and transfers were:

	<u>\$000</u>	<u>\$000</u>
a) Salary Increases		
Current year cost	10,295	
Less: Contingency in opening budget	<u>10,322</u>	
Additional cost/(savings)		(27)
b) Mid-Year Allocations		
Total allocations	1,616	
Less: Opening contingency	<u>1,532</u>	
Additional cost/(savings)		84
c) Enrolment Incentive		
Current year cost	5,177	
Less: Opening contingency	<u>6,349</u>	
Additional cost/(savings)		(1,172)
d) Other Contingencies		
Current year cost	12,354	
Less: Opening contingency	<u>14,861</u>	
Net		(2,507)
Total additional contingency costs/(savings)		<u>(3,622)</u>

	<u>\$000</u>	<u>\$000</u>
Overspent (unspent) balances not appropriated:		
e) Utilities	(2,850)	
f) Student support	2,424	
g) Interfund transfers	2,586	
h) Convocation	(710)	
h) Other minor balances	(62)	
Subtotal		1,388
Expenditures funded by additional income:		
Government grant (section 2.1.1)	3,209	
Tuition income (section 2.1.2)	-	
Miscellaneous fees & income (section 2.1.3)	224	
Investment income (section 2.1.4)	-	
Departmental income (section 2.1.5)	469	
		3,902
Expenditures funded by returned appropriations	187,980	
Total appropriations in 2019-2020	215,705	
Net appropriations (section 2.2.2)	(27,725)	
Add: New appropriations (section 2.2.2)	44,800	
		17,075
Total expenditures and transfers above budget		18,743

Note:

- a) Salary Increases: The cost of salary and benefit increases for 2020-21 was \$27,000 less than budget.
- b) Mid-Year Allocations: Allocations from the mid-year contingency fund totaled \$1,616,000 in 2020-21 as compared to the budget of \$1,532,000. The allocations includes:

Allocations from the Mid-Year Contingency Fund:

	<u>\$000</u>
Sprott Innovation Hub	716
Sprott scholarships	300
Academic management supplement	215
MITACS	125
Learning management system training	90
African-Caribbean mentorship	50
Internal audit plan	50
Other	70
Total allocations	1,616
Opening contingency	1,532
Allocation in excess of budget	(84)

The Provost's Budget Working Group, chaired by the Provost, manages the Mid-Year Contingency Fund.

- c) Enrolment Incentive Plan: The Enrolment-Linked Budget Allocation (ELBA) was initiated in 2010-11 whereby faculties receive 40% of the net revenue from enrolment growth in their area. In 2020-21, \$1,172,000 of the total \$6,349,000 set aside for this purpose was not required.
- d) Other Contingencies: The allocations of \$12,354,000 for 2020-2021 include the following:

	<u>\$000</u>
Pandemic planning	10,290
Pending positions and allocations	2,064
Total	<u>12,354</u>

Including the allocation above and returned appropriations, the university provided a total of \$27,501,000 for additional expenses, due to COVID-19, that could not be covered by existing budget allocations. As at April 30, 2021, \$17,635,000 had been allocated for the following:

	<u>\$000</u>
Student support	6,024
Enhanced cleaning	5,556
Teaching, learning and TA support	4,192
Personal protective equipment and work from home	1,111
Other	752
	<u>17,635</u>

In addition, \$2,282,000 in COVID-19 related costs were absorbed by departmental funds.

- e) Utilities: The university continues to benefit from hydro rebates relating to its student residences, along with conservative budgeting and savings from multi-year energy conservation projects.
- f) Student support: Additional student support was provided at both the undergraduate and graduate level to assist students during this unprecedented time.
- g) Interfund transfers: Additional costs in excess of budget were incurred due to the funding of accrued leave.

222 Appropriations

Appropriations represent commitments that are recognized as charges against the operating results in the current year, although the expenditure has not yet taken place. The commitment can either be to an outside supplier (i.e. an outstanding encumbrance may exist based on a purchase order which has not yet been fulfilled), or an internal commitment to a departmental manager that budgetary balances available in the current year can be used for specific projects in the future. Generally, unspent budgetary balances are carried forward into the next year. This is seen as an effective institutional policy as it allows managers to plan expenditures over a period that extends beyond the fiscal year, and deters any potentially wasteful spending towards the year-end that may arise if budgetary funds were no longer available.

The net increase in appropriations for the year is as follows:

	<u>\$000</u>
Appropriated to fund balance 2020-21	215,705
Returned from 2019-20 fund balance	187,980
Increase in appropriated fund balance	<u>27,725</u>

Details of the returned and new appropriations are as follows:

	<i>Returned</i> \$000	<i>Appropriated</i> \$000	<i>Difference</i> \$000
RPC			
Faculties	62,845	65,054	2,209
Academic Administration	2,067	2,795	728
Students and Enrolment	4,460	8,791	4,331
Library	1,084	1,773	689
President	2,679	2,905	226
Research and International	4,860	4,665	(195)
Finance and Administration	9,854	17,283	7,429
Computing infrastructure	4,047	4,253	206
Renovations	28,034	37,688	9,654
Advancement	11,978	9,301	(2,677)
Student Support	2,031	4,613	2,582
Pending commitments	5,107	11,039	5,932
Self-insurance fund	77	-	(77)
Capital reserves	32,483	745	(31,738)
Subtotal	171,606	170,905	(701)
New allocations	16,374	44,800	28,426
Total	187,980	215,705	27,725

New allocations represent appropriations of unspent funds over and above those included in the original budget. For 2020-21, new allocations total \$44,800,000 as detailed below:

	<i>\$000</i>
Investment income equalization reserve	34,462
To be allocated in the fall of 2021	10,338
	44,800

In addition, \$166,448,000 of prior year appropriated funds were not returned during 2020-21, as the planned expenditures will occur in future fiscal years.

	<i>\$000</i>
Capital reserves	63,626
Pension liability reserve	58,876
Investment income equalization fund	39,852
Strategic Initiatives fund	3,158
Future project commitments	827
Self-insurance fund	109
Total appropriations not returned	166,448

Current commitments against the capital reserve include \$11 million for ancillary deferred maintenance, \$3 million for the Nicol Business Building, \$8 million for the campus transportation strategy, and \$7 million for minor capital projects. The balance will be used in tandem with the \$220 million of bond proceeds received in July 2021 for future capital projects such as the Wellness Hub, the Sustainability Research Centre and major renovations to the Loeb and Paterson buildings.

While the pension fund is currently fully funded on an actuarial basis, the plan still remains top of mind for the university when assessing future risks. As noted below in section 3.2.5, on an accounting basis, the plan moved from a \$73.4 million liability position as at April 30, 2020, to an asset position of \$82.5 million at April 30, 2021, as a result of the positive market impact on the assets backing the pension plan. Given the market's ability to impact the position of the pension plan, the university continues to hold \$69.2 million reserved for pension obligations.

2.2.3 Operating Results

As noted in section 1 above, net actual results show revenues, which equal expenditures and appropriations. The increases in income and expenses have been reviewed in detail. Many of the items are offsetting, in that additional income was directed to specific areas of expense. In the analysis below, we have excluded these offsetting items to provide a variance analysis against the mid-year projections, for the major categories.

Changes in Accumulated Surplus vs Projection			
	<i>Actual</i>	<i>Projected</i>	
	<i>Incr/Decr</i>	<i>Incr/Decr</i>	<i>Variance</i>
	<i>\$000</i>	<i>\$000</i>	<i>\$000</i>
Income Variations			
Government grants (section 2.1.1)	255	2,000	(1,745)
Tuition fees (section 2.1.2)	7,266	7,000	266
Miscellaneous income (section 2.1.3)	583	(1,000)	1,583
Investment income (section 2.1.4)	34,462	-	34,462
Departmental income (section 2.1.5)	-	(1,000)	1,000
Total income variations	42,566	7,000	35,566
Expenditure Variations			
Expenditures less than contingencies (sec 2.2.1)	3,622	2,000	1,622
Expenditures less than allocations (sec 2.2.1)	(1,388)	(4,000)	2,612
Total expenditure variations	2,234	(2,000)	4,234
Change in results	44,800	5,000	39,800
New appropriations (section 2.2.2)	(44,800)	(5,000)	(39,800)
Net change in results	-	-	-
Original surplus included in budget	-	-	-
Total change in accumulated surplus	-	-	-

2.2.4 Accumulated Surplus

The prior year's accumulated operating surplus was \$nil and therefore remains unchanged. The university continues its practice of appropriating unrestricted operating surplus for strategic future purposes.

2.3 Ancillary Operations - Operating Result and Fund Balance

Schedule 2 of this report, details the 2020-21 operations of the ancillaries as compared to the opening budget. Overall the ancillary results can be summarized as follows:

	<i>2020-21 Actual \$000</i>	<i>2020-21 Budget \$000</i>	<i>2019-20 Actual \$000</i>
Revenue and internal recoveries	25,725	71,575	64,399
Expenses and transfers	28,498	46,673	44,367
Surplus from operating activity	(2,773)	24,902	20,032
Major renovations and capital debt	16,118	23,188	18,190
Surplus for the year	(18,891)	1,714	1,842

- As outlined in section 1.2, revenue and internal recoveries and expenses and transfers were both under budget as a result of the COVID-19 pandemic.
- Ancillary operations ended the year with a combined deficit of \$18.9 million compared to a budgeted surplus of \$1.7 million. Each ancillary finished the year with an operating deficit, with the exception of Health and Counselling Services, Carleton Dominion-Chalmers Centre and Ancillary Property Rentals.
- Housing and Residence Life and Dining Services incurred a deficit of \$9.3 million, Parking Services incurred a deficit of \$3.1 million and Recreation and Athletics incurred a deficit of \$1.7million

The change in the fund balances are as follows:

	<i>Balance at April 2021 \$000</i>	<i>Balance at April 2020 \$000</i>	<i>Variance \$000</i>
Accumulated Surplus - Unrestricted	680	680	-
Accumulated Surplus - Internally Restricted	21,195	40,086	(18,891)
	21,875	40,766	(18,891)

2.4 Other Income and Expenditures

As explained in section 2 above, the 2020-21 audited financial statements include all the activities of the university which used to be segregated into separate funds. The following sections highlight the more significant non-operating activities from the Consolidated Statement of Operations.

2.4.1 Capital Investments, Plant Income and Expenses

The accounting for investments in capital assets is one of the major differences in how the university accounts for expenditures internally, versus those in the audited financial statements. Included here is a high-level view of capital investments, as well as operating results for the non-capital portion of renovation projects, known as plant income and expenses.

Since 2008, in order to accommodate enrolment growth, the university has invested over \$530 million in major capital projects, including several new buildings. In addition to investing in new facilities, the university has had to address a considerable backlog of deferred maintenance projects to maintain existing buildings in acceptable condition. In the current year alone, \$21 million was spent on building modernization and maintenance projects.

The plant income and expenses included here represent non-capital and renovation projects, which are specifically funded from external sources, as well as those non-capital expenditures being funded from operations (e.g. general, ancillary, research) over a period of time.

The following summarizes the Plant income and expenses for 2020-21:

	<i>2020-2021 Actual \$000</i>	<i>2019-2020 Actual \$000</i>	<i>Increase (Decrease) \$000</i>
Income and Transfers			
Government grants, other income	2,073	796	1,277
Transfers to/from operating & ancillary	624	488	136
Net income	2,697	1,284	1,413
Expenses			
Additions	2,269	1,285	984
Surplus (deficit)	428	(1)	429
Opening fund balance	(428)	(427)	(1)
Closing fund balance	-	(428)	428

During the year, all expenditures were funded, including the \$428,000 deficit from the prior year.

2.4.2 Research Funding and Expenditures

The table below provides a summary of externally sponsored and internally funded research activity.

Externally sponsored research funding is considered restricted revenue and is not recognized as revenue on the audited financial statements until matching expenditures are made. Funding received but not spent during the year is shown as deferred revenue. Internally funded research revenue does not have external restrictions placed on it and is recognized as revenue when received. Unspent funds at year-end are shown as internally restricted balances on the financial statements.

	<i>Balance April 30, 2020 \$000</i>	<i>2020-21 Funding \$000</i>	<i>2020-21 Expenditure \$000</i>	<i>Balance April 30, 2021 \$000</i>
<u>Tri-Agency Sponsored Research</u>				
CIHR	2,130	2,472	1,075	3,527
NSERC	11,256	20,847	16,873	15,230
SSHRC	8,880	14,908	10,866	12,922
Canada Research Chairs	473	2,642	2,516	599
Research support fund	-	5,292	5,292	-
	22,739	46,161	36,622	32,278
<u>Canadian Governmental Agencies</u>				
National Defence	635	1,883	1,822	696
Natural Resources Canada	41	2,512	2,532	21
NRC	777	1,721	1,300	1,198
Other federal agencies	2,781	3,032	3,513	2,300
	4,234	9,148	9,167	4,215
<u>Other Sponsored Research</u>				
SNO and TRIUMF	-	9,411	9,411	-
CFI / Ontario Research Fund	7,994	4,639	6,202	6,431
Provincial, municipal governments	835	878	478	1,235
Businesses and foundations	7,824	24,348	18,402	13,770
Research partnership agreements	1,846	3,861	3,611	2,096
Other sponsored research	875	1,215	878	1,212
	19,374	44,352	38,982	24,744
<u>Total Sponsored Research</u>	46,347	99,661	84,771	61,237
Internally funded research	46,702	8,581	4,888	50,395
<u>Total Research</u>	93,049	108,242	89,659	111,632

Notes: Acronyms

CFI	Canadian Foundation for Innovation CIHR Canadian Institutes for Health Research
NRC	National Research Council
NSERC	Natural Science and Engineering Research Council SNO Sudbury Neutrino Observatory Institute
SSHRC	Social Science and Humanities Research Council TRIUMF National Laboratory for Particle and Nuclear Physics

Sponsored research funding received during the year increased by \$10,254,000 (11.5%) from \$89,407,000 in 2019-20 to \$99,661,000 in 2020-21. Corresponding expenditures on these projects increased by \$3,213,000 from \$81,558,000 to \$84,771,000. The sponsored research fund balance increased by \$14,890,000 from \$46,347,000 to \$61,237,000 as at April 30, 2021. This balance is included in deferred revenue.

Funding of internally restricted research projects was slightly lower in 2020-21 at \$8,581,000, compared to \$9,878,000 in 2019-20. Related expenditures were also lower, at \$4,888,000, compared to \$5,436,000 in the prior year, which resulted in the internally funded research balance increasing from \$46,702,000 to \$50,395,000.

2.5 Reconciliation of Operating Results

The accumulated balances for the operating, ancillary and plant funds described in the previous sections match those shown on the Consolidated Statement of Changes in Net Assets. The operating results discussed above do not, however, match those shown on the Consolidated Statement of Operations. The following explains the differences in presentation:

	<u>\$000</u>
Operating result per Consolidated Statement of Operations	39,117
Adjustments:	
a) Net change in investment in capital assets	(33,941)
b) Increase in operating appropriations (2.2.2)	(27,725)
c) Research surplus (internally restricted) increase (2.4.2)	(3,693)
d) Enterprise surplus (internally restricted) decrease	171
e) Scholarship surplus (internally restricted) increase	(1)
f) Professional Development (internally restricted) increase	(578)
g) Increase in unrestricted endowment	(1,299)
h) Employee future benefit expense net of cash payment	12,919
i) Internal contributions to restricted endowments	(3,433)
j) Ancillary deficit (section 2.3)	18,891
k) Plant surplus (section 2.4.1)	(428)
Operating budget result	<u>-</u>

Notes:

- a) Net change in investment in capital assets: For the purposes of managing general operations, the university accounts for funds received for, and expended on, the purchase of capital assets in the year the purchase is made. However, under Canadian accounting standards, the receipts and costs must be amortized over the life of asset (i.e. 10 to 40 years). The result of this is that expenditures incurred during the year for capital assets are removed from those shown in the statements of operations and a calculated amount for amortization expenditure is recognized. Similarly, any restricted funds received during the year for capital purchases are removed from revenues and brought into income over the life of the asset. During 2020-21 the following entries were made:

	<u>\$000</u>
Current year capital assets expenditures removed from expenses	(59,856)
Current year funding received for capital assets removed from revenues	11,958
Current year change in capital asset financing removed from expenses	(11,585)
	<u>(59,483)</u>
Addback calculated amounts:	
Amortization of capital asset expense	37,990
Amortization of capital asset funding	(12,448)
Difference	<u>(33,941)</u>

The \$33,941,000 difference represents the excess of net cash outlays (i.e. actual cash expenditures less the actual cash received) over the prescribed calculated amounts reflected in the Consolidated Statement of Operations. It is shown as a reduction in Unrestricted Net Assets and an increase in Investment in Capital Assets.

- b) Decrease in appropriations: Under Canadian accounting standards, appropriations are not accounted for within the Statement of Operations, but are shown as a change in internally restricted net assets on the Consolidated Statement of Changes in Net Assets.
- c) Research funds: As shown in section 2.4.2 above, internally restricted research balances increased by \$3,693,000 during 2020-21. As these funds are earmarked for the continuation of the research activity being funded, this \$3,693,000 (\$50,395,000 - \$46,702,000) is shown as an increase to the internally restricted amounts on the Consolidated Statement of Changes in Net Assets.
- d) Enterprise funds: As shown on the Consolidated Statement of Changes in Net Assets, enterprise balances have decreased by \$171,000 (\$4,725,000 - \$4,966,000) during 2020-21. As these funds had been earmarked for continuation of specific projects, this change is shown as a decrease to the internally restricted amounts on the Consolidated Statement of Changes in Net Assets.
- e) Scholarship funds: As shown on the Consolidated Statement of Changes in Net Assets, internally restricted scholarship balances have increased by \$1,000 during 2020-21. Although these scholarships do not have donor placed restrictions on them, the funds have been earmarked for student support in future years.
- f) Professional Development: As shown on the Consolidated Statement of Changes in Net Assets, we have an internally restricted balance for professional development funds earned by faculty members but not yet used.
- g) Gain on unrestricted endowment: The undistributed portion of the gain on the unrestricted endowment is recognized as income in the unrestricted fund, thus increasing the surplus within the Consolidated Statement of Operations. However, as this amount does not actually impact the amount available for spending in the current year, it is not included in the operating fund results as reported on Schedule 1.
- h) Employee future benefits: As explained in section 3.2.5, a liability for future benefits owing to employees must be recognized in the university's financial statements. Actuarial assumptions are used to calculate the accrual-based expense to be recognized in the statement of operations and the related contributions that must be removed. During 2020-21 the following entries were made:

	<u>\$000</u>
Employee future benefits, non-pension	15,621
Employee future pension benefits	23,492
Less: 2020-21 contributions removed from expenditure	<u>(26,194)</u>
Difference	<u>12,919</u>

- i) Internally endowed amounts: Unrestricted contributions are recognized as revenue in the period in which they are received. When they are subsequently reallocated to the endowment fund, the transfer is shown on the Statement of Changes in Net Assets as a reduction in unrestricted net assets, rather than as an expenditure within the Statement of Operations.
- j) Ancillary surplus: As presented in section 2.3, the ancillary operations resulted in a deficit of \$18,891,000 in 2020-21.
- k) Plant surplus: As presented in section 2.4.1, the plant fund for non-capital and renovation projects resulted in a surplus of \$428,000 in 2020-21.

3. CONSOLIDATED STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)

The following notes and tables highlight relevant extracts from the Consolidated Statement of Financial Position of potential interest to the reader, with comparison to the previous year.

3.1 Source and Application of University Resources

The source and application of university resources at April 30, 2021 were as follows:

	2021 Actual \$000	2020 Actual \$000	Increase (Decrease) \$000
Sources			
Short-term liabilities:			
Accounts payable	52,792	49,842	2,950
Deferred revenue	126,210	96,281	29,929
Accrued leave	18,255	15,278	2,977
Current portion of long-term debt	4,323	4,079	244
Long-term liabilities:			
Employee future benefits	79,050	236,723	(157,673)
Long-term debt	54,984	59,307	(4,323)
Net assets:			
General operating fund	-	-	-
Ancillary, plant and collections funds	680	252	428
Endowment fund	353,014	298,612	54,402
Internally restricted funds	461,850	448,915	12,935
	815,544	747,779	67,765
Total – Sources	1,151,158	1,209,289	(58,131)
Applications			
Short-term assets:			
Cash, equivalents and marketable securities	603,764	543,681	60,083
Accounts receivable	33,110	34,882	(1,772)
Prepaid expenses	11,059	7,215	3,844
Current portion of net investment in lease	935	876	59
Long-term assets:			
Net investment in lease	5,741	6,676	(935)
Investments	351,648	301,800	49,848
Capital assets:	702,529	680,663	21,866
Less: Investment in capital assets	(445,151)	(411,210)	(33,941)
Deferred capital contributions	(191,527)	(192,017)	490
Collections	24,909	24,760	149
Less: Investment in collections	(24,909)	(24,760)	(149)
Net assets:			
Provision for employee future benefits	79,050	236,723	(157,673)
Total - Applications	1,151,158	1,209,289	(58,131)

3.2 Source of University Resources

3.2.1 Accounts Payable - \$52,792,000

The accounts payable as at April 30, 2021 comprised:

	2021 \$000	2020 \$000	Increase (Decrease) \$000
Due to suppliers	3,973	2,939	1,034
Construction accruals and holdbacks	14,829	15,674	(845)
Payroll taxes and pension	16,349	13,480	2,869
Amounts held on deposit	2,431	4,421	(1,990)
Other taxes payable	911	1,001	(90)
Other payables and accrued liabilities	14,299	12,327	1,972
Total	52,792	49,842	2,950

Amounts payable at April 30, 2021, remained relatively consistent year-over-year. The fluctuation in payroll amounts, suppliers and other payables is due to the timing of remittance and invoices received.

3.2.2 Deferred Revenue - \$126,210,000

Deferred revenue as at April 30, 2021 comprised:

	2021 \$000	2020 \$000	Increase (Decrease) \$000
a) Government grants	6,565	7,099	(534)
b) Research	61,237	46,347	14,890
c) Scholarships	6,464	5,464	1,000
d) Parker loans	1,228	1,046	182
e) Special purpose	21,155	16,930	4,225
f) Donated software	5,978	3,253	2,725
g) Summer student fees	14,205	6,962	7,243
h) Other items	9,378	9,180	198
Total	126,210	96,281	29,929

Notes:

- a) Deferred grant revenue relates mainly to unspent student aid grants (\$1,525,000), and performance funding (\$5,022,000) for the 2021-22 academic year.
- b) Research funds are the unexpended restricted grants and contracts to be spent in future years. The detailed composition of the balance is shown in section 2.4.2.
- c) Represents restricted scholarship accounts.

- d) Represents funds available to loan to students in need of financial aid.
- e) Special purpose is the unexpended portion of restricted donor gifts and other income.
- f) The \$5,978,000 represents the balance of two gift-in-kind software license agreements received from IBM for research in the Data Science Institute.
- g) Summer student fees represent payments received prior to April 30 for courses held in the summer term.
- h) Other deferred revenue relates mainly to advance payments received for projects earmarked for future years, summer programs in the Recreation and Athletics operation, and a capital replacement fund held for the NWRC building.

3.2.3 Current Portion of Long-Term Debt - \$4,323,000

The current portion of long-term debt is defined as the amount coming due within the next fiscal year. This totalled \$4,323,000 as at April 30, 2021, an increase of \$244,000 over last year.

3.2.4 Accrued Leave - \$18,255,000

The \$18,255,000 compares to \$15,278,000 last year for an increase of \$2,977,000. The increase is reasonable given the travel bans in place over the last fiscal year due to the COVID-19 pandemic.

Canadian accounting standards require that accumulated but unpaid leave (annual and administrative) must be recognized as an expense and amount payable at each year-end. Consistent with other Ontario universities, Carleton has fully funded this accrued benefit, however the university's resource management policies are such that payments of accrued vacation are charged against existing departmental resources in the year the event occurs.

3.2.5 Employee Future Benefits Liability - \$79,050,000

During 2001, the university adopted the recommendations of the CICA Handbook Section 3461, Employee Future Benefits, which has now been replaced by the Chartered Professional Accountants of Canada Handbook Section 3462/3463. Under these recommendations, the university accrues its obligations under employee benefits plans as the employees render the services necessary to earn post-retirement and post-employment benefits. Prior to the adoption of these recommendations, the non-pension costs were recognized on a "pay as you go" basis. While this represents a large, unfunded obligation, the ongoing cash demands of these benefits remain unchanged. As such, the deficit created by this accounting policy change does not have a significant impact on the operations of the university. Refer to note 12 of the audited financial statements for further information.

With respect to pension benefits, the university must recognize the defined benefit liability or asset in its statement of financial position. This amount is the defined benefit obligation less the fair value of the assets. With the adoption of the new Handbook section 3462/3463, deferral and amortization of actuarial gains and losses is no longer permitted for any future benefit obligation, which can lead to large swings in the liability or asset amount each year. Additional details are provided in note 12 of the audited financial statements.

This note shows that, on an accounting basis, the pension plan is in a surplus position of \$82,469,000, a \$155,918,000 improvement from last year's deficit of \$73,449,000, and is a result of the recovery in the markets during the year. The note also states that on an actuarially determined basis, a going-concern shortfall of \$59,277,000 and a hypothetical wind-up/solvency shortfall of \$120,998,000 existed as at July 1, 2019. As this actuarial determination relates more closely to actual and potential fund flows, the

university uses this as its guide. Subsequent to July 1, 2019, the university made lump sum special payments totaling \$61,729,000 into the pension fund for the period from July 1, 2019 to March 31, 2020. As a result, no university special payments are required for the period from April 2020 to June 2023.

In 2020-21, the non-pension employee future benefit obligation decreased by \$1,755,000. This small change in the unfunded obligation is mainly due to experience in health benefits during the last 12 months. Meanwhile, the large swing in the pension from a liability to an asset relates to gains on the plan assets due to positive market returns in the last fiscal year.

3.2.6 Long-Term Debt - \$54,984,000

The loans and mortgages payable are described in note 10 of the audited financial statements.

3.2.7 Net Assets, providing a source of resources - \$815,544,000

The net assets that constitute a source of resources are:

	2021 \$000	2020 \$000	Increase (Decrease) \$000
Operating fund	-	-	-
Ancillary, plant and collections funds	680	252	428
Internally restricted funds	461,850	448,915	12,935
Endowment fund	353,014	298,612	54,402
Total	815,544	747,779	67,765

Notes:

- a) The internally restricted net assets as at April 30, 2021, consist of the following:

	\$000
Appropriated operating funds (section 2.2.2)	382,153
Appropriated ancillary funds (section 2.3)	21,195
Internally restricted research balances (section 2.4.2)	50,395
Enterprise funds	4,795
Scholarship funds	7
Professional Development	3,305
	461,850

- b) An analysis of the Endowment Fund is as follows:

	\$000
Market Value at April 30, 2021	353,014
Market Value at April 30, 2020	298,612
	54,402

The \$54,402,000 increase in the endowment fund is calculated as follows:

	<u>\$000</u>
Unrealized gain (loss) on investment	32,878
Gifts, bequests and other additions (per below)	11,437
Gain (loss) on sale of investments	20,496
Investment income	<u>6,783</u>
	71,594
Less: Distributed for endowed spending	(12,664)
Direct and indirect operating costs	(3,166)
Investment management fees	<u>(1,362)</u>
Change in nominal value	<u>54,402</u>

Additions to the endowment fund in 2020-21 included the following gifts and transfers:

	<u>\$000</u>
Carleton University transfers and matching contributions	3,433
Joyce Family Fdn Bursaries for Indigenous Students	1,000
Thomas Scholarship	915
Douglas Arthur de Pencier Leadership Bursaries	667
Teresa Elizabeth Smith Memorial Bursary	590
Robert Stokes Fitness Centre Equipment	584
Jay Woo and CAA Scholarship	500
Michael Wallace Sprott School of Business Priority Fund	500
Humphrey Law Bursary for Indigenous Students	250
Dr. Anne Denis Women's Studies and Sociology Collections Fund	240
C.U. Engin. Students Equip Fund	203
T. Escandor & J. Singh Haspal Grad Bursary	201
Barbara A. Humphreys Memorial Scholarship in Architecture	150
Julie Bycraft Memorial Scholarship	100
Cristine Rotenberg Scholarship for Academic & Creative Pursuits	100
Scotiabank International Exchange Awards	100
Hugh F. Landerkin QC Memorial Bursary	100
Other additions (<\$100,000)	<u>1,804</u>
Total additions	<u>11,437</u>

The realized investment returns on the endowment fund for the year, including gains on sale and direct investment income, amounted to \$27,279,000. The amount distributed towards endowed spending was \$12,664,000. In addition, \$1,362,000 was paid to investment managers during the year and \$3,166,000 in direct and indirect expenditures were charged to administer the fund 2020-2021.

A more complete analysis of the university's endowment investments is provided in the quarterly report to the Board on investment performance.

3.3 Application of University Resources

3.3.1 Cash and Short-Term Investments - \$603,764,000

The cash and short term investment balance at April 30, 2021 were as follows:

	2021 \$000	2020 \$000	Increase (Decrease) \$000
Cash balance	(3,450)	(3,273)	(177)
Cash equivalent investments	466,159	440,516	25,643
Marketable securities	141,055	106,438	34,617
Total	603,764	543,681	60,083

With a view to increase longer-term average returns on investments, the Investment Committee made a decision during the 2015-16 fiscal year to invest a portion of the university's cash balances in marketable securities. Using historical cash requirements as a guide, the Committee decided to invest \$100,000,000 in marketable securities, as this amount would most likely be in excess of short-term liquidity requirements. The current market value of the securities on hand at the end of the year was \$141,055,000 (2020 - \$106,438,000).

3.3.2 Accounts Receivable - \$33,110,000

	2021 \$000	2020 \$000	Increase (Decrease) \$000
a) Student accounts	12,298	8,767	3,531
b) Student associations	177	279	(102)
c) General accounts receivable	9,500	12,371	(2,871)
d) Staff computer loans	106	127	(21)
e) HST/GST receivable	1,837	1,531	306
f) Bookstore	4	39	(35)
g) Union groups	181	254	(73)
h) Research funds	8,993	10,778	(1,785)
i) Student loans	-	3	(3)
j) Food service provider	542	726	(184)
k) MCU grants	-	-	-
Other receivables	1,471	1,453	18
Sub-total	35,109	36,328	(1,219)
l) Less: Allowance for doubtful accounts	(1,999)	(1,446)	(553)
Total	33,110	34,882	(1,772)

Notes:

- a) Student accounts: These accounts include outstanding tuition fees, residence fees and other miscellaneous charges. The \$12,298,000 represents 3.81% (2020 – 2.75%) of the total 2020-21 tuition and residence fees assessed.
- b) Student associations: Amounts outstanding for university services provided to various student groups.
- c) General accounts receivable: These amounts relate to services rendered by certain departments to external clients or to internal monies owed at year-end. The decrease in the current year is due mostly to the reimbursement of travel advances for trips that were cancelled due pandemic travel restrictions. The receivables are generally current.
- d) Staff computer loans: The university has a program whereby staff can acquire computers and pay overtime. The loans bear interest and are recovered through payroll deduction.
- e) HST/GST receivable: The balance typically represents the amount due from the government for the April HST/GST return.
- f) Bookstore: The 2020-21 amount receivable is due from Follett Books and represents commission income earned but not received in 2020-21.
- g) Union groups: The various union groups use the university services on a recovery basis. The accounts are generally kept up to date.
- h) Research funds: The receivables consist of two different types of receivables: contract research and grants. The nature of contractual research is such that expenditures must be incurred before progress billings can be made and income received. For grant-type research, most granting agencies make multi-year research awards with payment being spread over a specific period (usually three years). In many cases, however, the nature of the project is such that a greater proportion of the expenses must be incurred in the earlier periods of the grant. For the sake of continuity and given that research activities as a whole are in a net cash surplus position, the university allows reasonable advanced spending on multi-year research grants.
- i) Student loans: Student loans outstanding are issued under the Parker Loan fund, which funds the interest and guarantees the principal of the loans.
- j) Food services provider: The 2020-21 amount receivable from Aramark represents commission and profit share income related to the 2020-21 operations.
- k) Allowance for doubtful accounts: The allowance includes \$1,970,000 for student fees, while the balance is for other overdue items.

3.3.3 Prepaid Expenses - \$11,059,000

Prepaid Expenses as at April 30, 2021 comprised:

	2021 \$000	2020 \$000	Increase (Decrease) \$000
Insurance	1,005	783	222
Licences	9,366	5,837	3,529
Other	688	595	93
Total	11,059	7,215	3,844

Prepaid expenses represent payments to third parties for services to be provided in future periods (e.g. insurance, licences), as well as any significant stock of materials and supplies for internal use (e.g. Facilities Management and Planning supplies). The increase in prepaid licences is due to the receipt of a five-year software licence gift-in-kind in 2021.

3.3.4 Current Portion of Net Investment in Lease - \$935,000

The current portion of net investment in lease is defined as the amount collectible within the next fiscal year. This totaled \$935,000 at April 30, 2021 and represents the non-financing income portion of the \$1,300,000 annual National Wildlife Research Centre (NWRC) lease payment. Further detail is provided in section 3.3.5 and in note 5 of the audited financial statements.

3.3.5 Net Investment in Lease - \$5,741,000

In 2002-03, Carleton University entered into an agreement with Environment Canada under which the university constructed the National Wildlife Research Centre (NWRC) building on its property, which was then leased to Environment Canada. The lease term is for 99 years starting May 1, 2002, and exceeds 75% of the estimated useful life of the building. Under the guidance of the CPA Canada Handbook, Part II, section 3065: Leases, this fact indicates that the NWRC lease should be accounted for as a direct-financing lease.

The accounting treatment for the direct-financing lease began in fiscal 2003 when the building became operational. The university removed the building's construction cost from capital assets and the difference between the cost of the capital asset and the long-term receivable for the future lease payments was recorded as unearned financing income and is presented as Net Investment in Lease on the consolidated financial statements.

The calculation of this amount is presented in detail in note 5 of the audited financial statements.

3.3.6 Investments - \$351,648,000

The nature of most investments has been detailed in preceding sections. They are summarized below:

	2021 \$000	2020 \$000	Increase (Decrease) \$000
Investments held for:			
Endowment	347,491	298,437	49,054
Parker Loan fund	1,379	1,205	174
NWRC capital reserve	1,025	863	162
Sprott Student fund	1,753	1,295	458
Total	351,648	301,800	49,848

As indicated in note 2(c) of the audited financial statements, all investments are shown at fair market value. Additional information on the investments can be found in note 4 of the audited financial statements.

3.3.7 Capital Assets: \$702,529,000

Investment in Capital Assets: \$445,151,000

Deferred Capital Contributions: \$191,527,000

The net value of capital assets as at April 30, 2021 comprised:

	2021 \$000	2020 \$000	Increase (Decrease) \$000
Capital Assets:			
Land and buildings	949,468	907,224	42,244
Co-Generation Plant	21,192	20,680	512
Equipment and furnishings	96,226	95,954	272
Computers and software	12,212	8,026	4,186
Automobile	407	377	30
Library	21,732	22,134	(402)
	1,101,237	1,054,395	46,842
Less: Accumulated depreciation	(398,708)	(373,732)	(24,976)
Net capital assets	702,529	680,663	21,866
Funding:			
Investment in capital assets	445,151	411,210	33,941
Deferred capital contributions	191,527	192,017	(490)
Total funding	636,678	603,227	33,451
Unfunded assets	65,851	77,436	(11,585)
Financed by:			
Loans payable	52,621	55,831	(3,210)
Other short-term borrowing	13,230	21,605	(8,375)
Total	65,851	77,436	(11,585)

The specific capital assets funded through financing are as follows:

	2021 \$000	2020 \$000	Increase (Decrease) \$000
External loan financing:			
Prescott residence	8,985	9,907	(922)
Leeds residence	7,183	8,266	(1,083)
Frontenac residence	11,481	11,841	(360)
Lennox & Addington residence	24,972	25,817	(845)
	52,621	55,831	(3,210)
Internal loan financing:			
P6/P7 Parking Garage	21,948	22,440	(492)
Housing and Food Services renovations	7,163	7,600	(437)
Ice Arena	3,046	3,595	(549)
Alumni Hall and Sports Centre	1,205	1,533	(328)
Field Bleachers	780	852	(72)
Building Fit-ups (funding in advance of expense)	(21,072)	(14,724)	(6,348)
Other (funding in advance of expense)	160	309	(149)
	13,230	21,605	(8,375)
Financed assets	65,851	77,436	(11,585)

3.3.8 Art Collections: \$24,909,000

Investment in Collections: \$24,909,000

The net value of the art collection as at April 30, 2021:

	2021 \$000	2020 \$000	Increase (Decrease) \$000
Art Collection	24,909	24,760	149
Total	24,909	24,760	149

3.3.9 Net Assets, requiring an application of resources - \$79,050,000

The net assets classified as an application of resources include:

	<i>2021</i> <i>\$000</i>	<i>2020</i> <i>\$000</i>	<i>Increase</i> <i>(Decrease)</i> <i>\$000</i>
Provision for employee future benefits	79,050	236,723	(157,673)
Total	79,050	236,723	(157,673)

As discussed in section 3.2.5, this represents the unfunded balance of employee future benefits as at April 30, 2021.

Schedule 1

General Operating Fund 2020-21
Income, Expenses and Accumulated Surplus
Comparison To Budget (May 2020) and 2019-20 Actual

	2020-21 Actual \$000's	2020-21 Budget \$000's	Actual to Budget \$000's %		2019-20 Actual \$000's	Actual to Prior Year \$000's %	
<u>INCOME</u>							
Government Grant	175,947	172,483	3,464	2.0	175,505	442	0.3
Tuition Fees	309,328	302,062	7,266	2.4	293,761	15,567	5.3
Miscellaneous Income	12,533	11,726	807	6.9	16,534	(4,001)	(24.2)
Investment Income	42,712	8,250	34,462	417.7	7,410	35,302	476.4
Departmental Income	7,500	7,031	469	6.7	9,572	(2,072)	(21.6)
Total Operating Income	548,020	501,552	46,468	9.3	502,782	45,238	9.0
<u>EXPENSES</u>							
Faculty of Arts & Social Sciences	57,182	57,593	(411)	(0.7)	58,300	(1,118)	(1.9)
Faculty of Public Affairs	39,187	39,256	(69)	(0.2)	37,033	2,154	5.8
Sprott School of Business	14,061	14,819	(758)	(5.1)	13,921	140	1.0
Faculty of Science	40,187	44,676	(4,489)	(10.0)	40,302	(115)	(0.3)
Faculty of Engineering and Design	38,691	34,889	3,802	10.9	39,799	(1,108)	(2.8)
Provost and Vice-President (Academic)	16,573	6,098	10,475	171.8	13,703	2,870	20.9
Vice-President (Students and Enrolment)	25,585	41,852	(16,267)	(38.9)	26,261	(676)	(2.6)
Library	10,899	12,501	(1,602)	(12.8)	18,263	(7,364)	(40.3)
Vice-President (Research and International)	4,490	4,295	195	4.5	4,158	332	8.0
Vice-President (Finance & Administration)	45,272	51,626	(6,354)	(12.3)	47,041	(1,769)	(3.8)
Advancement	4,657	5,494	(837)	(15.2)	5,721	(1,064)	(18.6)
President	3,699	2,023	1,676	82.8	4,725	(1,026)	(21.7)
University Budgets and Provisions	160,404	131,825	28,579	21.7	212,847	(52,443)	(24.6)
Interfund Transfers (net)	59,408	54,605	4,803	8.8	46,161	13,247	28.7
Sub-Total Operating Expenses	520,295	501,552	18,743	3.7	568,235	(47,940)	(8.4)
Net Appropriations	27,725	-	27,725		(64,955)	92,680	
Total Expenses	548,020	501,552	46,468	9.3	503,280	44,740	8.9
Increase/(Decrease) in Surplus for the Year	-	-	-		(498)	498	
Opening Accumulated Surplus/(Deficit)	-	-	-		498	(498)	
Closing Accumulated Surplus/(Deficit)	-	-	-		-	-	

Carleton University Ancillary Operations
Income and Expenditure as Compared to Budget
and Accumulated Operating Results as at April 30, 2021

Schedule 2

	2020-21 Actual			2020-21 Budget			Actual as Compared to Budget			Accumulated Surplus	
	<u>Income</u>	<u>Expenses and Transfers</u>	<u>Surplus (Deficit)</u>	<u>Income</u>	<u>Expenses and Transfers</u>	<u>Surplus (Deficit)</u>	<u>Income</u>	<u>Expenses and Transfers</u>	<u>Surplus (Deficit)</u>	<u>Opening</u>	<u>Closing</u>
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Housing, Conference & Dining	9,851	19,193	(9,342)	34,857	34,550	307	(25,006)	(15,357)	(9,649)	12,711	3,369
Recreation and Athletics	5,784	7,517	(1,733)	15,312	15,174	138	(9,528)	(7,657)	(1,871)	13,171	11,438
Parking Services	118	3,270	(3,152)	6,107	6,548	(441)	(5,989)	(3,278)	(2,711)	4,108	956
Health & Counselling Services	3,830	3,280	550	4,432	4,453	(21)	(602)	(1,173)	571	328	878
The Print Shop & Campus Card	750	1,886	(1,136)	3,111	3,108	3	(2,361)	(1,222)	(1,139)	572	(564)
Ancillary Property Rentals	2,213	2,213	-	2,203	2,203	-	10	10	-	680	680
University Centre	1,750	2,653	(903)	1,750	1,750	-	-	903	(903)	3,390	2,487
Carleton Performance Centre	496	372	124	725	723	2	(229)	(351)	122	176	300
Bookstore	499	528	(29)	652	642	10	(153)	(114)	(39)	307	278
Ancillary Capital Fund	434	3,704	(3,270)	2,426	710	1,716	(1,992)	2,994	(4,986)	5,323	2,053
Total Ancillaries	25,725	44,616	(18,891)	71,575	69,861	1,714	(45,850)	(25,245)	(20,605)	40,766	21,875
							Unappropriated fund balance			680	680
							Appropriated fund balance			40,086	21,195
										40,766	21,875