S. 94-52

FOR INFORMATION

SIMON FRASER UNIVERSITY

MEMORANDUM

TO: Senate

FROM: W.R. Heath
Registrar and
Secretary of Senate

SUBJECT: Annual Financial Statement

DATE: September 2, 1994

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:

IF YOU DO NOT WISH TO KEEP THE ANNUAL FINANCIAL STATEMENT, PLEASE RETURN IT TO BOBBIE GRANT, OFFICE OF THE REGISTRAR.

SIMON FRASER UNIVERSITY

NOUS SOMMES PRETS

FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31.1994

SIMON FRASER UNIVERSITY
BRITISH COLUMBIA EDUCATIONAL INSTITUTIONS CAPITAL FINANCING AUTHORITY DEBENTURES
AS AT MARCH 31, 1994
(thousands of dollars)

Maturity Date

Maturity Date	Interest Rate (%)	Face Value	Sinking Fund Balance	Balance Outstanding 1994	Balance Outstanding 1993	Annual Payments
Apr 8, 1993	9.10	280	280	-	3	-
Jul 6, 1994	9.75	2,640	2,232	408	992	578
Jul 6, 1994	9.75	1,025	855	170	396	225
Jul 6, 1994	9.75	2,260	521	1,739	1,919	268
May 6, 1997	9.25	4,418	794	3,624	4,418	1,162
Jun 9, 1998	9.41	2,000	1,664	336	458	237
Oct 9, 1998	10.00	553	82	471	513	94
Jan 10, 1999	9.82	2,000	1,835	165	391	245
Jan 18, 1999	5.40	3,562	-	3,562	-	800
Mar 9, 1999	10.16	3,700	3,343	357	771	468
Apr 10, 1999	10.26	800	679	121	203	102
Nov 9, 1999	10.68	3,700	2,953	747	1,065	485
Mar 10, 2000	12.74	2,000	1,519	481	649	304
Aug 16, 2000	11.25	4,250	1,016	3,234	3,582	771
Aug 16, 2000	11.25	3,538	262	3,276	3,371	475
Sep 10, 2000	12.55	2,100	1,609	491	721	315
Mar 10, 2001	13.13	210	139	71	90	33
Apr 10, 2001	13.66	2,500	1,324	1,176	1,332	396
May 8, 2001	13.69	2,280	1,249	1,031	1,189	362
Jul 10, 2001	14.81	1,880	963	917	1,039	320
Oct 9, 2001	17.00	1,000	513	487	548	192
Jan 2, 2002	9.00	5,160	239	4,921	5,046	577
Mar 10, 2002	16.10	1,756	880	876	986	321
May 10, 2002	15.25	1,980	995	985	1,160	345
Jun 10, 2002	14.96	1,000	483	517	593	171
Aug 10, 2002	16.53	1,400	641	759	853	262
Oct 8, 2002	14.16	2,000	919	1,081	1,214	327
Nov 10, 2002	13.43	1,607	723	884	975	251
Dec 10, 2002	12.01	1,000	436	564	621	142
Apr 5, 2003	11.59	2,000	918	1,082	1,260	276
May 2, 2003	11.53	2,545	1,062	1,483	1,661	349
Jun 16, 2003	7.75	4,778	-	4,778	-	700
Jun 16, 2003	7.75	9,150	-	9,150	-	909
Aug 2, 2003	11.51	1,000	374	626	676	137
Dec 1, 2003	11.79	1,000	364	636	688	140
Mar 1, 2004	12.13	2,099	767	1,332	1,441	300
Apr 2, 2004	12.60	1,000	354	646	695	148
Oct 10, 2006	9.36	387	83	304	318	45
Apr 8, 2008	9.62	700	123	577	616	83
May 10, 2008	10.07	290	44	246	256	36
Jun 10, 2008	10.31	1,590	226	1,364	1,415	199
Apr 10, 2009	10.31	5,750	747	5,003	5,304	718
May 10, 2009	10.17	6,150	854	5,296	5,584	760
Jul 10, 2009	9.61	1,000	102	898	924	118
Aug 10, 2009	9.41	1,337	140	1,197	1,236	155
Nov 10, 2009	9.62	2,400	265	2,135	2,206	283
Mar 9, 2010	9.78	1,000	98	902	929	120
Apr 10, 2010	10.36	1,028	79	949	978	129
May 10, 2010	10.81	974	74	900	927	127
Jun 8, 2010	11.33	275	20	255	262	37
Jul 10, 2010	10.47	696	51	645	663	88
Aug 10, 2010	10.46	1,148	85	1,063	1,094	145
Feb 21, 2011	10.75	1,215	87	1,128	1,159	157
Apr 10, 2011	10.01	2,750	133	2,617	2,686	335
May 10, 2011	9.81	2,275	110	2,165	2,222	273
Jun 10, 2011	9.86	1,850	89	1,761	1,807	223
Jul 10, 2011	10.04	900	43	857	879	110
Jan 9, 2012	9.50	3,913	181	3,732	3,826	457
Jun 10, 2012	9.45	7,000	162	6,838	7,000	814
Aug 23, 2013	8.50	22,276	489	21,787	22,276	2,380
Aug 23, 2013	8.50	5,625	123	5,502	-	601
Jun 9, 2014	7.50	15,081	-	15,081	-	1,375
		$ 173,781	$ 37,395	$ 138,386	$ 106,086	$ 22,951

(See Note 4a)

Prepared without audit

SIMON FRASER UNIVERSITY

FINANCIAL STATEMENTS

MARCH 31, 1994

TABLE OF CONTENTS

Page

SIMON FRASER UNIVERSITY
SCHEDULE OF ACADEMIC EXPENDITURES - ALL FUNDS
FOR THE YEAR ENDED MARCH 31, 1994
(thousands of dollars)

	General Operating	Sponsored Research	Specific Purpose	Capital	Totals 1994	Totals 1993
FACULTY OF ARTS						
General faculty	$ 328	$ 161	$ 455	$ 6	$ 950	$ 998
Archaeology	1,547	121	75	5	1,748	1,682
Canadian Studies	76	-	2	-	78	75
Contemporary Arts	3,101	5	179	17	3,302	3,409
Criminology	2,496	170	54	14	2,734	2,970
Economics	3,941	168	44	18	4,171	4,162
English	4,177	126	-	10	4,313	4,105
French	295	16	-	-	311	1,307
Geography	1,408	245	10	14	1,677	2,713
Gerontology	2,602	76	26	16	2,720	504
Graduate Liberal Studies	209	189	236	1	635	125
History	119	117	-	-	236	3,298
Humanities	3,133	48	15	10	3,206	241
Interdisciplinary Studies	264	-	38	-	302	510
Linguistics	465	97	5	3	570	1,261
Philosophy	1,485	15	16	9	1,525	1,395
Political Science	1,425	114	4	3	1,546	2,061
Psychology	2,071	588	-	10	2,669	5,269
Sociology and Anthropology	5,004	144	76	46	5,270	1,961
Spanish and Latin American Studies	1,872	12	1	3	1,888	1,019
Women's Studies	1,025	-	12	1	1,038	414
Other Studies	490	-	106	2	598	166
	37,533	2,412	1,354	188	41,487	39,645
FACULTY OF APPLIED SCIENCE						
General faculty	541	-	43	(1)	583	303
Communication Studies	2,286	139	1,275	33	3,733	3,471
Computing Science	3,936	951	135	54	5,076	4,842
Engineering Science	3,099	689	71	56	3,915	4,244
Kinesiology	2,777	907	91	87	3,862	3,696
Resource and Environmental Management	1,080	490	90	21	1,681	1,484
Centre for Policy Research on Science and Technology	4	278	14	-	296	312
Centre for Systems Science	1,380	767	9	-	2,156	2,638
	15,103	4,221	1,728	250	21,302	20,990
FACULTY OF BUSINESS ADMINISTRATION	7,569	166	150	78	7,963	7,464
FACULTY OF EDUCATION	7,901	500	3,197	42	11,640	11,707
FACULTY OF SCIENCE						
General faculty	537	639	20	71	1,267	587
Biological Sciences	6,203	3,252	(175)	1,485	10,765	9,774
Chemistry	4,681	3,090	16	101	7,888	8,129
Mathematics and Statistics	4,778	667	96	20	5,561	5,540
Molecular Biology and Biochemistry	382	-	(3)	-	379	141
Physics	3,544	2,638	56	106	6,344	6,036
Science Workshops	1,030	-	-	10	1,040	853
Western Canadian Universities Marine Biological Society	158	-	-	-	158	154
	21,313	10,286	10	1,793	33,402	31,214
OTHER EXPENDITURES						
Animal Care Facility	117	6	-	24	147	203
Continuing Studies	7,050	6	1,422	6	8,484	9,245
Co-op Education	611	-	98	-	709	702
Graduate Studies	388	-	467	4	859	962
Instructional Media Centre	1,472	-	-	104	1,576	1,560
International Programs	-	-	4,400	-	4,400	3,760
Library	-	45	-	-	45	373
	9,638	57	6,387	138	16,220	16,805
TOTAL ACADEMIC EXPENDITURES	$ 99,057	$ 17,642	$ 12,826	$ 2,489	$ 132,014	$ 127,825

Prepared without audit

SIMON FRASER UNIVERSITY
SCHEDULE OF GENERAL OPERATING FUND - NON-ACADEMIC EXPENDITURES
FOR THE YEAR ENDED MARCH 31, 1994
(thousands of dollars)

	Salaries	Employee Benefits	Other Expenses	Internal Cost Allocations	External Cost Recoveries	Totals 1994	Totals 1993
LIBRARY							
General Operations	$ 5,188	$ 826	$ 1,161	$ 35	$ (622)	$ 6,588	$ 6,231
Library Acquisitions	-	-	3,411	-	-	3,411	3,278
	5,188	826	4,572	35	(622)	9,999	9,509
STUDENT SERVICES AND AWARDS							
Director's Office	278	47	126	-	-	451	421
Academic Resource Office	216	35	49	-	-	300	434
Athletics and Recreation	1,602	242	814	(19)	(109)	2,530	2,542
Counselling Services	617	102	62	-	-	781	828
Financial Aid - General Office	461	73	29	-	-	563	576
- Student Awards	-	-	3,834	-	-	3,834	4,215
Health Services	1,034	183	90	-	(885)	422	353
	4,208	682	5,004	(19)	(994)	8,881	9,369
PLANT AND MAINTENANCE							
General Operations	3,119	549	2,398	-	-	6,066	6,217
Contract Services	-	-	1,585	-	-	1,585	1,490
Utilities	-	-	1,892	-	-	1,892	1,553
	3,119	549	5,875	-	-	9,543	9,260
COMPUTING SERVICES	2,885	488	2,116	(12)	(87)	5,390	5,614
ADMINISTRATION AND GENERAL							
Analytical Studies	201	32	10	-	-	243	239
Development Office	905	148	260	-	-	1,313	1,485
Financial Services	2,436	400	202	-	-	3,038	2,956
General University	(5)	-	2,672	(1,081)	-	1,586	139
Human Resources/Employee Relations	939	179	233	(2)	(1)	1,348	1,370
Media/Public Relations	291	46	144	-	-	481	487
President's Office	504	63	265	-	-	832	823
Printing and Duplicating	583	106	(604)	-	-	85	(140)
Purchasing	258	42	16	-	-	316	296
Registrar's Office	2,338	363	762	-	-	3,463	3,110
Systems Development	18	1	76	(14)	-	81	373
Traffic and Security	693	167	1,444	26	(2,164)	166	198
University Archives	147	24	14	-	-	185	173
Vice President Academic	715	84	283	(126)	(30)	926	977
Vice President Administration	401	52	156	-	-	609	564
Vice President SFU at Harbour Centre	751	105	1,221	(187)	-	1,890	402
Vice President Research	480	73	136	-	-	689	613
	11,655	1,885	7,290	(1,384)	(2,195)	17,251	14,065
TOTALS	$ 27,055	$ 4,430	$ 24,857	$ (1,380)	$ (3,898)	$ 51,064	$ 47,817

Prepared without audit
Page 28

STATEMENT OF MANAGEMENT RESPONSIBILITY

The University is responsible for the preparation of the financial statements and has prepared them with reference to 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. They are in compliance with generally accepted accounting principles. The financial statements present fairly the financial position of the University as at March 31, 1994 and the results of its operations and the changes in its fund balances for the year then ended.

In fulfilling its responsibilities and recognizing the limits inherent in all systems, the University has developed and maintains a system of internal control designed to provide reasonable assurance that University assets are safeguarded from loss and that the accounting records are a reliable basis for the preparation of financial statements.

The Board of Governors carries out its responsibility for review of the financial statements principally through its Audit Committee. The majority of the members of the Audit Committee are not officers or employees of the University. The Audit Committee meets with Management and the external auditors to discuss the results of audit examinations and financial reporting matters. The external auditors have full access to the Audit Committee, with and without the presence of Management.

The financial statements for the year ended March 31, 1994 have been reported on by the Auditor General of the Province of British Columbia, the auditor appointed under the University Act. The Auditor's Report outlines the scope of his examination and provides his opinion on the fairness of presentation of the information in the financial statements.

J.O. Stubbs
President & Vice-Chancellor

R. W. Ward
Vice-President, Financial Services

SIMON FRASER UNIVERSITY
REPORT OF THE VICE-PRESIDENT, FINANCIAL SERVICES
1993/94

The audited financial statement of Simon Fraser University is a public document which is circulated internally including the university library and is available to the general public. The purpose of this report is to provide a brief description of the type of activity that takes place in each fund and to highlight some financial comparisons with prior years.

Statement 3 of the financial statements illustrates the sources of funding and areas of expenditures in five of the six separate funds of SFU for 1993/94. The Endowment Principal Fund is shown on statement 4. The concept of fund accounting organizes transactions so that revenues and their related expenses are accounted for in separate funds in accordance with objectives specified by donors, limitations and restrictions imposed by sources outside the university and determinations made by the Board of Governors.

General Operating Fund

The main sources of revenue for this fund are the Provincial Government's operating grant and student fees. This fund covers the expenditures of the academic and associated services as well as the supporting areas of library, student services, plant and maintenance, computing services and general administration.

Operating revenue of $154 million for 1993/94 is an increase of $8 million over 1992/93. The increase in contributions from the Province of British Columbia is due to the enrollment growth grant of $736,000 and the inclusion into the base of $1,460,000 for equipment and $1,136,000 for Harbour Centre which were previously recorded in other funds. An additional $2,978,000 was from increases in tuition fees. Continuing Studies increased its non credit revenue by $200,000 and other fees increased by $500,000 primarily as a result of the change in the application fee and the institution of a new Student Services fee. Investment income increased by $642,000 and miscellaneous income increased by $366,000.

Operating expenses increased by $7.7 million to $150 million. The reclassification of Harbour Centre to the operating fund accounts for the increase of $1,500,000 in facility rentals which also accounts for the large increase in Administrative costs shown in Table 1. There were also increases of $6.1 million for salaries and benefits, $700,000 in operating supplies, $540,000 for service contracts, and $360,000 for utilities. This was partly offset by reductions of $360,000 in travel and personnel costs, $375,000 in scholarships and an increase of $740,000 in external costs recoveries primarily due to parking revenues.

The fund balance deficit of $2,098,000 at March 31, 1994 is due to the vacation pay accrual of $2,100,000 less a $2,000 unappropriated balance. The Canadian Institute of Chartered Accountants made changes in the generally accepted accounting principles applicable to non profit organizations. As a result of this change we are required to accrue the costs for vacation pay for staff as it is earned instead of when it is paid.

Table 1 shows the sources of funding and a breakdown of the expenditures by function as well as a graph of the expenditures on a percentage basis over the last five years.

SIMON FRASER UNIVERSITY
SCHEDULE OF GENERAL OPERATING FUND - ACADEMIC EXPENDITURES
FOR THE YEAR ENDED MARCH 31, 1994
(thousands of dollars)

Schedule 5

	Salaries								Totals	
	Academic	Other Instructional & Research	Other	Total	Employee Benefits	Other Expenses	Internal Cost Allocations	External Cost Recoveries	1994	1993
FACULTY OF ARTS										
General faculty	$ (389)	$ 44	$ 537	$ 192	$ 12	$ 128	$ (4)	$ -	$ 328	$ 305
Archaeology	829	165	217	1,211	195	141	-	-	1,547	1,378
Canadian Studies	36	7	16	59	9	8	-	-	76	69
Contemporary Arts	1,662	356	396	2,414	388	305	-	(5)	3,102	3,156
Criminology	1,692	187	174	2,053	339	106	-	(1)	2,497	2,398
Economics	2,440	598	250	3,288	531	120	-	-	3,939	3,940
English	2,859	421	216	3,496	572	117	-	(7)	4,178	4,016
First Nations	183	22	19	224	35	37	-	-	296	-
French	847	127	202	1,176	193	39	-	-	1,408	1,267
Geography	1,621	292	231	2,144	351	107	-	-	2,602	2,435
Gerontology	161	8	-	169	30	9	-	-	208	182
Graduate Liberal Studies	60	4	22	86	13	20	-	-	119	125
History	2,252	169	163	2,584	421	128	-	-	3,133	3,066
Humanities	220	-	-	220	39	4	-	-	263	216
Interdisciplinary Studies	297	21	66	384	65	16	-	-	465	508
Linguistics	1,020	113	106	1,239	203	45	-	-	1,487	1,135
Philosophy	954	144	76	1,174	190	62	-	-	1,426	1,375
Political Science	1,441	144	122	1,707	283	81	-	-	2,071	1,990
Psychology	2,725	931	490	4,146	678	178	1	-	5,003	4,720
Sociology and Anthropology	1,299	152	107	1,558	257	57	-	-	1,872	1,902
Spanish and Latin American Studies	656	108	82	846	139	40	-	-	1,025	999
Women's Studies	336	40	-	376	61	18	-	-	455	414
Other Studies	14	1	14	29	5	1	-	-	35	32
	23,215	4,054	3,506	30,775	5,009	1,767	(3)	(13)	37,535	35,628
FACULTY OF APPLIED SCIENCE										
General faculty	126	16	212	354	32	189	(35)	-	540	298
Communication Studies	1,367	274	222	1,863	308	137	(22)	-	2,286	2,256
Computing Science	2,301	348	480	3,129	518	285	2	-	3,934	3,667
Engineering Science	1,643	68	733	2,444	400	255	-	-	3,099	2,918
Kinesiology	1,483	484	294	2,261	364	158	1	(6)	2,778	2,616
Resource and Environmental Management	617	94	107	818	130	130	2	-	1,080	1,053
Centre for Policy Research on Science and Technology	-	3	-	3	-	-	-	-	3	7
Centre for Systems Science	9	350	500	859	105	444	(28)	-	1,380	1,719
	7,546	1,637	2,548	11,731	1,857	1,598	(80)	(6)	15,100	14,534
FACULTY OF BUSINESS ADMINISTRATION	4,381	708	814	5,903	955	778	(1)	(66)	7,569	7,115
FACULTY OF EDUCATION	4,728	472	1,131	6,331	988	713	(130)	-	7,902	7,901
FACULTY OF SCIENCE										
General faculty	82	80	85	247	55	404	(168)	-	538	191
Biological Sciences	3,091	1,009	814	4,914	785	504	2	-	6,205	6,093
Chemistry	2,365	793	602	3,760	606	315	-	-	4,681	4,531
Mathematics and Statistics	2,781	910	257	3,948	643	185	2	-	4,778	4,737
Molecular Biology and Biochemistry	-	44	86	130	20	231	-	-	381	141
Physics	1,982	422	390	2,794	460	288	2	-	3,544	3,548
Science Workshops	-	-	751	751	121	159	-	-	1,031	853
Western Canadian Universities Marine Biological Society	-	-	-	-	-	158	-	-	158	154
	10,301	3,258	2,985	16,544	2,690	2,244	(162)	-	21,316	20,248
OTHER EXPENDITURES										
Animal Care Facility	-	3	115	118	19	(20)	-	-	117	165
Continuing Studies	1,221	1,360	2,668	5,249	629	1,154	72	(57)	7,047	6,781
Co-op Education	-	11	463	474	75	63	-	-	612	579
Graduate Studies	111	11	132	254	31	104	-	-	389	375
Instructional Media Centre	-	-	1,128	1,128	181	163	-	-	1,472	1,401
	1,332	1,385	4,506	7,223	935	1,464	72	(57)	9,837	9,301
TOTALS	$ 51,503	$ 11,514	$ 15,490	$ 78,507	$ 12,434	$ 8,564	$ (304)	$ (142)	$ 99,059	$ 94,727

Prepared without audit

SIMON FRASER UNIVERSITY
SCHEDULE OF GENERAL OPERATING FUND EXPENDITURES
FOR THE YEAR ENDED MARCH 31, 1994
(thousands of dollars)

	Academic	Library	Student Services & Awards	Plant & Maintenance	Computing Services	Administration & General	Totals 1994	Totals 1993
	(Schedule 5)	(----	----	Schedule 6	----	----)		
EXPENDITURES								
Salaries								
Academic	$ 51,503	$ -	$ -	$ -	$ -	$ -	$ 51,503	$ 49,121
Other instruction and research	11,514	-	-	-	-	-	11,514	11,025
Other support staff	15,490	5,188	4,208	3,119	2,885	11,655	42,545	40,566
Total salaries	78,507	5,188	4,208	3,119	2,885	11,655	105,562	100,712
Employee benefits	12,434	826	682	549	488	1,885	16,864	15,602
Travel and personnel costs	1,589	17	323	14	22	441	2,406	2,772
Supplies and expenses	4,558	754	552	1,756	1,042	2,063	10,725	10,020
Equipment and furnishings	1,091	105	101	350	90	318	2,055	2,274
Equipment and facility rentals	298	168	30	24	870	2,043	3,433	1,950
Library acquisitions	-	3,411	-	-	-	-	3,411	3,279
Utilities	643	39	61	1,880	45	242	2,910	2,546
Scholarships, fellowships, and bursaries	-	-	3,838	-	-	6	3,844	4,219
Contract services	9	-	-	1,585	-	1,219	2,813	2,275
Professional fees	223	-	57	230	11	825	1,346	1,344
Renovations and alterations	153	78	42	36	36	133	478	310
Internal cost allocations	(304)	35	(19)	-	(12)	(1,384)	(1,684)	(1,461)
External cost recoveries	(142)	(622)	(994)	-	(87)	(2,195)	(4,040)	(3,298)
Total	$ 99,059	$ 9,999	$ 8,881	$ 9,543	$ 5,390	$ 17,251	$ 150,123	$ 142,544

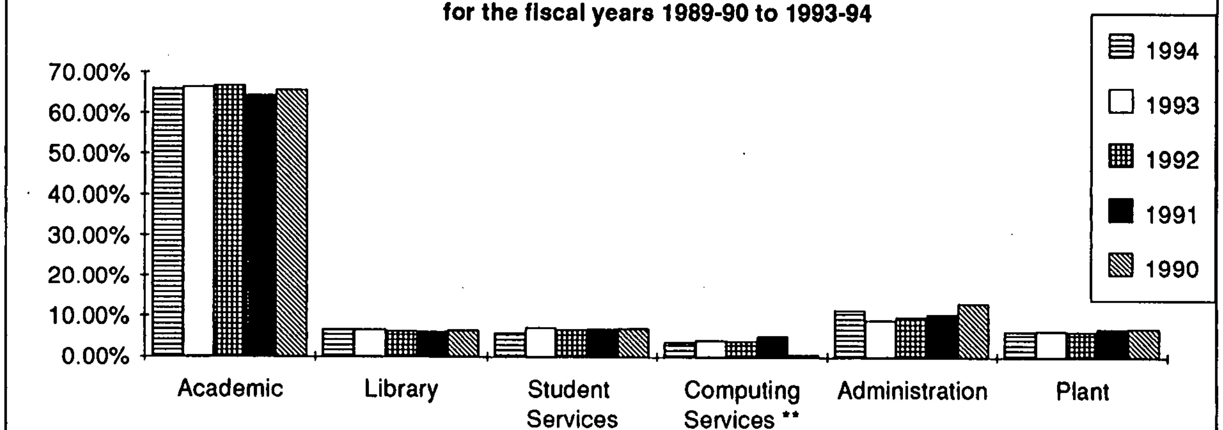
Prepared without audit

TABLE 1
Summary comparisons of total general operating revenue and expenditures
For the fiscal years 1989-90 to 1993-94
($000)

Source	1993-94		1992-93		1991-92 *		1990-91		1989-90	
Province of BC grants	116,167	75.3%	112,908	77.2%	107,845	77.0%	94,626	78.6%	83,512	77.1%
Student fees -credit	30,801	20.0%	27,823	19.1%	26,779	19.1%	20,637	17.1%	18,805	17.4%
-non-credit	1,521	1.0%	1,236	0.8%	1,225	0.9%	1,348	1.1%	1,559	1.4%
-others	1,873	1.2%	1,356	0.9%	1,324	0.9%	1,082	0.9%	1,026	0.9%
Gifts	152	0.1%	181	0.1%	216	0.2%	368	0.3%	188	0.2%
Investment income	2,663	1.6%	2,021	1.4%	1,905	1.4%	1,736	1.5%	2,694	2.6%
Other	1,164	0.8%	709	0.5%	750	0.5%	599	0.5%	478	0.4%
Total	154,341	100.0%	146,234	100.0%	140,044	100.0%	120,396	100.0%	108,262	100.0%
Distribution by function	1993-94		1992-93		1991-92 *		1990-91		1989-90	
Academic	99,059	66.0%	94,727	66.5%	92,008	66.8%	78,784	64.3%	69,524	65.8%
Library	9,999	6.7%	9,509	6.7%	8,751	6.4%	7,618	6.2%	6,817	6.5%
Student Services	8,871	5.9%	10,133	7.1%	9,249	6.7%	8,333	6.8%	7,336	6.9%
Computing Services **	5,390	3.6%	5,774	4.1%	5,485	4.0%	6,389	5.2%	709	0.7%
Administration ***	17,261	11.4%	13,141	9.1%	13,629	9.8%	12,795	10.5%	13,758	13.0%
Plant	9,543	6.4%	9,260	6.5%	8,685	6.3%	8,534	7.0%	7,531	7.1%
Total	150,123	100.0%	142,544	100.0%	137,807	100.0%	122,453	100.0%	105,675	100.0%

* Includes Distance Education and the Fund for Excellence in Education program for the first time.
** Computer Services was allocated to departments prior to 1990-91.
*** Prior to 1993/94, all Harbour Centre operating expenses were charged to the Specific Purpose Fund.

Percentage of total operating expenditures by function
for the fiscal years 1989-90 to 1993-94



Sponsored Research Fund

This fund consists of grant funds received by the University for use by academic staff to conduct research. The grants come mainly from government departments and agencies such as Natural Sciences and Engineering Research Council of Canada, Social Sciences and Humanities Research Council of Canada, Province of B.C. Health Care Research Foundation, Science Council of B.C. Research Grant etc. (Federal 64%, Provincial 13%) and other sources. The grantees use the funds to cover the costs of research assistants, travel, supplies and equipment.

Specific Purpose Fund

This fund consists of funds allocated for specific activities that would not be considered sponsored research, operating or capital. It is funded through government grants (Provincial 18%, Federal 32%) and other sources such as student fees, other grants and contracts and investment income from the endowment funds. Examples of some activities would be Canadian International Development Agency funded projects, conferences, and other centres and institutes funded from external sources. The reduction of Other Grants and Programs of approximately $4.0 million is partially due to the transfer of Harbour Centre expenditures to the operating fund.

Table 2 shows the level of expenditures for Sponsored Research and Specific Purpose for the last 5 years.

TABLE 2

Expenditures for Sponsored Research and Specific Purposes
for the fiscal years 1989-90 to 1993-94

	1993-94	1992-93	1991-92	1990-91	1989-90
Expenditures (in $000)					
Sponsored Research	17,642	17,712	16,141	14,013	11,653
Other Grants & Programs	14,804	18,800	19,676	21,957	19,191
Scholarships & Bursaries	2,234	2,553	2,456	2,137	1,112
Total	34,680	39,065	38,273	38,107	31,956

SIMON FRASER UNIVERSITY
SCHEDULE OF CHANGES IN ANCILLARY ENTERPRISES FUND BALANCES
FOR THE YEAR ENDED MARCH 31, 1994
(thousands of dollars)

Schedule 3

	Bookstore	Food Services	Residences	Totals 1994	Totals 1993
REVENUES					
Sale of goods and services	$ 6,360	$ -	$ 4,217	$ 10,577	$ 8,727
Investment income	20	-	106	126	109
	6,380	-	4,323	10,703	8,836
EXPENDITURES AND OTHER DEDUCTIONS					
Salaries - support staff	744	-	472	1,216	1,108
Employee benefits	136	-	52	188	160
Travel and personnel costs	17	-	4	21	31
Supplies and expenses	161	13	689	863	759
Equipment and furnishings	256	1	56	313	82
Equipment and facility rentals	9	1	3	13	9
Utilities	26	62	498	586	403
Contract services	27	73	218	318	291
Professional fees	83	-	1	84	-
Renovations and alterations	21	33	97	151	242
Debt servicing - interest	-	26	1,674	1,700	603
- principal	-	90	320	410	260
Cost of goods sold	4,785	-	-	4,785	4,680
Internal cost allocations	80	-	29	109	103
External cost recoveries	-	(220)	-	(220)	(171)
	6,345	79	4,113	10,537	8,560
NET CHANGE IN THE YEAR	35	(79)	210	166	276
TRANSFERS AND APPROPRIATIONS					
Interfund transfers	-	-	(15)	(15)	-
Change in appropriations	-	-	146	146	(202)
NET (DECREASE) INCREASE DURING YEAR	35	(79)	341	297	74
FUND BALANCES AT BEGINNING OF YEAR	286	(65)	174	395	321
FUND BALANCES AT END OF YEAR	$ 321	$ (144)	$ 515	$ 692	$ 395

Prepared without audit

SIMON FRASER UNIVERSITY

SCHEDULE OF CHANGES IN SPONSORED RESEARCH AND SPECIFIC PURPOSE FUND BALANCES
FOR THE YEAR ENDED MARCH 31, 1994
(thousands of dollars)

	Sponsored Research 1994	Sponsored Research 1993	Specific Purpose 1994	Specific Purpose 1993
REVENUES AND OTHER ADDITIONS				
Government grants and contracts				
Province of British Columbia	$ 2,461	$ 3,108	$ 4,494	$ 6,169
Government of Canada	12,052	12,548	7,739	6,063
Other governments	480	248	9	49
Student fees - credit courses	-	-	394	311
- non credit	-	-	1,247	869
Gifts, grants and bequests	3,718	2,989	3,417	3,266
Investment income	-	-	6,715	5,186
Miscellaneous income	-	-	547	733
	18,711	18,893	24,562	22,646
EXPENDITURES AND OTHER DEDUCTIONS				
Salaries-academic	516	591	1,788	2,009
-other instruction and research	8,954	8,908	1,286	1,226
-other support staff	-	-	3,645	5,332
Total salaries	9,470	9,499	6,719	8,567
Employee benefits	725	670	1,147	1,524
Travel and personnel costs	1,713	1,593	2,269	1,713
Supplies and expenses	2,407	1,980	2,099	2,339
Equipment and furnishings	2,534	3,054	854	726
Equipment and facility rentals	15	13	431	1,950
Library acquisitions	-	-	3	5
Utilities	9	19	57	93
Scholarships,fellowships, and bursaries	-	-	2,234	2,553
Contract services	-	-	2	263
Professional fees	441	552	629	744
Renovations and alterations	3	6	35	93
Internal cost allocations	325	326	1,250	1,032
External cost recoveries	-	-	(691)	(250)
	17,642	17,712	17,038	21,352
NET CHANGE IN THE YEAR	1,069	1,181	7,524	1,294
TRANSFERS AND APPROPRIATIONS				
Interfund transfers	183	204	(771)	159
Transfer to non expendable funds (Note 8)	-	-	(1,354)	(973)
Group insurance reserve transfer (Statement 2)	-	-	(381)	(116)
Retirement benefits reserve transfer (Statement 2)	-	-	(152)	146
Lease commitment reserve transfer (Statement 2)	-	-	(342)	(251)
NET (DECREASE) INCREASE DURING YEAR	1,252	1,385	4,524	259
FUND BALANCES AT BEGINNING OF YEAR	7,222	5,837	8,418	8,159
FUND BALANCES AT END OF YEAR	$ 8,474	$ 7,222	$ 12,942	$ 8,418

Prep[illegible] without audit
[illegible]e 24

Ancillary Enterprises

Ancillary Enterprises, which include the Bookstore, Food Services and Residences provide goods and services to the University community and are expected to operate on a break-even basis. There was a $297,000 operational contribution to unappropriated reserve for 1993/94 ($74,000 for 1992/93) The accumulated unappropriated balance at March 31, 1994 is $692,000.

Capital Fund

This fund consists of gifts, grants, interest and authorized capital borrowing received for the purpose of acquiring capital assets including those pertaining to Ancillary Enterprises.

In 1993/94 $34 million was spent to complete previously started projects for the Shrum Centre, South Sciences Building, Alcan Research Building, New Residences, West Parking Structure, and to start or continue with the West Mall Complex, the Student Services Building, Harbour Centre Phase IV, Minor Capital Projects and Renovations and other smaller projects.

Endowment Fund

Endowment funds result from monies contributed for scholarships, bursaries, endowed activities and other purposes as specified by donors. Net additions to the total fund during the year were $7.5 million ($3 million in 1992/93). In order to protect the funds against inflation, a portion of the investment income is capitalized every year. The University is committed to an on-going program of fundraising with outstanding pledges in excess of $3 million at this time.

Many individuals from both the academic and support staff have contributed to the relative stability of the financial position of the University and I would like to express my gratitude for their efforts in 1993/94.

RWWard.

Roger W. Ward
Vice-President, Financial Services

Auditor General of British Columbia

8 Bastion Square
Victoria, British Columbia
V8V 1X4

(604) 387-6803
Fax (604) 387-1230

AUDITOR'S REPORT

To the Members of the Board of Governors
of Simon Fraser University:

I have audited the balance sheet of Simon Fraser University as at March 31, 1994 and the following statements for the year then ended:

Statement 2 - Statement of changes in reserves and 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 capital assets

These financial statements are the responsibility of the University's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the University as at March 31, 1994 and the results of its operations and changes in fund balances for the year then ended in accordance with generally accepted accounting principles.

George L. Morfitt, FCA
Auditor General

Victoria, British Columbia
June 2, 1994

SIMON FRASER UNIVERSITY
SCHEDULE OF CHANGES IN GENERAL OPERATING AND CAPITAL FUND BALANCES
FOR THE YEAR ENDED MARCH 31, 1994
(thousands of dollars)

Schedule 1

	General Operating 1994	General Operating 1993	Capital 1994	Capital 1993
REVENUES AND OTHER ADDITIONS				
Government grants and contracts				
Province of British Columbia	$ 116,167	$ 112,908	$ 22,933	$ 19,241
Government of Canada	112	23	-	-
Student fees -credit courses	30,801	27,823	-	-
-non-credit courses	1,521	1,236	-	-
-other	1,873	1,356	-	-
Gifts, grants and contracts	152	181	1,933	525
Investment income	2,663	2,021	571	850
Miscellaneous income	1,052	686	12	10
Capital borrowings	-	-	35,062	51,458
Interest earned on sinking fund	-	-	3,231	3,378
	154,341	146,234	63,742	75,462
EXPENDITURES AND OTHER DEDUCTIONS				
Salaries-academic	51,503	49,121	-	-
-other instruction and research	11,514	11,025	-	-
-other support staff	42,545	40,566	-	-
Total salaries	105,562	100,712	-	-
Employee benefits	16,864	15,602	-	-
Travel and personnel costs	2,406	2,772	-	-
Operating supplies and expenses	10,725	10,020	-	-
Equipment and furnishings	2,055	2,274	3,351	4,977
Equipment and facility rentals	3,433	1,950	-	-
Library acquisitions	3,411	3,279	-	-
Utilities	2,910	2,546	-	-
Scholarships,fellowships and bursaries	3,844	4,219	-	-
Contract services	2,813	2,275	-	-
Professional fees	1,346	1,344	-	-
Renovations and alterations	478	310	2,084	2,560
Debt servicing - interest	-	-	16,963	14,094
- principal	-	-	8,396	13,993
Capital acquisitions	-	-	34,079	42,934
Internal cost allocations	(1,684)	(1,461)	-	-
External cost recoveries	(4,040)	(3,298)	-	(92)
	150,123	142,544	64,873	78,466
NET CHANGE IN YEAR	4,218	3,690	(1,131)	(3,004)
TRANSFERS AND APPROPRIATIONS				
Interfund transfers	(155)	(1,913)	758	1,550
Transfer to non expendable funds	(1)	(16)	-	-
Reserves transfers	(419)	(200)	-	-
Change in appropriations (Statement 2)	(3,862)	(1,648)	1,264	1,545
NET (DECREASE) INCREASE DURING YEAR	(219)	(87)	891	91
FUND BALANCES AT BEGINNING OF YEAR	(1,879)	(1,792)	2,661	2,570
FUND BALANCES AT END OF YEAR	$ (2,098)	$ (1,879)	$ 3,552	$ 2,661

Prepared without audit

7. **Commitments - Capital Fund**

Total commitments under contracts for capital projects amounted to $25,361,000 as at March 31, 1994 (1993 - $20,885,000).

8. **Transfer to Non-Expendable Funds**

The transfer of $1,355,000 to the non-expendable endowment fund is comprised of capitalization of interest earnings of $1,182,000, $196,000 of transfers from programs and capitalization of capital gains of $77,000, less transfers to expendable capital funds of $100,000.

9. **Simon Fraser University Foundation**

This Foundation was established in 1987 under the provisions of the University Foundations Act. Its main purpose is to receive, manage and invest funds to further the purposes of the University. The Province of British Columbia through the Minister of Finance and Corporate Relations is the single shareholder. The assets and liabilities of the Simon Fraser Foundation amounting to $512,000 and nil respectively are not included in the financial statements of the University.

10. **Contingent Liabilities**

Simon Fraser University is the defendant to several unresolved statements of claims. It is not expected that the ultimate outcome of these claims will have a material effect on the financial position of the University.

11. **Comparatives**

Certain comparative figures have been restated to conform with the current year's presentation.

Statement 1

SIMON FRASER UNIVERSITY
BALANCE SHEET
AS AT MARCH 31, 1994
(thousands of dollars)

ASSETS	1994	1993
Cash and short-term investments	$ 10,039	$ 13,760
Accounts receivable	15,658	15,174
Prepaid expenses	1,533	1,001
Inventories	2,604	3,008
Long-term investments (Note 2)	89,308	68,491
Deferred charges	2,451	1,707
Capital assets		
Land and buildings	247,940	215,506
Equipment	76,269	72,034
Library holdings	38,862	35,499
Roads and parking lots	14,408	13,854
Leasehold improvements	10,222	9,318
	$ 509,294	$ 449,352

LIABILITIES AND FUND BALANCES	1994	1993
Accounts payable and accrued liabilities	$ 23,572	$ 25,935
Loans payable (Note 3)	6,532	13,803
Long-term debt (Note 4)	165,605	129,155
Reserves (Statement 2) (Note 5)		
Group insurance	1,822	1,441
Retirement benefits	3,913	3,761
Lease commitment	15,483	15,141
Academic pension plan	419	200
Self insurance	200	-
Expendable fund balances		
Appropriated (Statement 2)		
General operating	11,970	8,108
Ancillary enterprises	997	1,143
Capital	2,792	4,056
Unappropriated (Statement 3)		
General operating	(2,098)	(1,879)
Sponsored research	8,474	7,222
Specific purpose	12,942	8,418
Ancillary enterprises	692	395
Capital	3,552	2,661
Non-expendable fund balances (Statement 4)		
Endowment	38,682	31,180
Equity in capital assets (Statement 5)	213,745	198,612
	$ 509,294	$ 449,352

Approved:

Y. Cocke
Chair
Board of Governors

R.W. Ward, Ph.D.
Vice President
Financial Services

The eleven accompanying notes are an integral part of these Financial Statements

SIMON FRASER UNIVERSITY
STATEMENT OF CHANGES IN RESERVES AND APPROPRIATED EXPENDABLE FUND BALANCES
FOR THE YEAR ENDED MARCH 31, 1994
(thousands of dollars)

	Balances Beginning of Year	Released to meet Expenditures	Additions during the Year	Net Change for Year	Balances End of Year
RESERVES (NOTE 5)					
Group insurance	$ 1,441	$ -	$ 381	$ 381	$ 1,822
Retirement benefits	3,761	428	580	152	3,913
Lease commitment	15,141	1,411	1,753	342	15,483
Academic pension plan	200	-	219	219	419
Self insurance	-	-	200	200	200
TOTALS	$ 20,543	$ 1,839	$ 3,133	$ 1,294	$ 21,837
APPROPRIATIONS					
GENERAL OPERATING FUND					
Carryovers - Faculties and departments	$ 1,238	$ 1,238	$ 2,462	$ 1,224	$ 2,462
- Auxiliaries and special projects	1,133	1,133	1,053	(80)	1,053
- Research and other grants	4,184	4,184	4,230	46	4,230
Self insurance	100	100	-	(100)	-
Specific provisions	1,028	1,028	2,001	973	2,001
Non-recurring expenditures	425	425	2,224	1,799	2,224
	8,108	8,108	11,970	3,862	11,970
ANCILLARY ENTERPRISES FUND					
Equipment replacement and capital improvements	1,143	642	496	(146)	997
CAPITAL FUND					
Authorized payments	4,056	4,056	2,792	(1,264)	2,792
TOTALS	$ 13,307	$ 12,806	$ 15,258	$ 2,452	$ 15,759

6. 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.

An amendment to the plan in 1981 and a letter of agreement between the University and the Faculty Association in 1990 addressed the funding and distribution of the formula retirement benefit account. These changes resulted in an unfunded liability of $1,900,000 based on the actuarial valuation at January 1, 1992. Starting in 1992/93 the University is contributing $200,000 per year to the Academic Pension Plan reserve until the liability is fully funded.

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. An agreement amending the plan was signed on June 28, 1990 and is still subject to approval by Revenue Canada. Under the revised plan:

a. The University's contribution is the greater of:

   i. the cost of the defined benefits, and

   ii. the percentage of covered pay which the University is contributing to the Academic Plan.

   At the moment, contributions are based on option ii.

b. Any surplus in excess of the contingency margin is distributed to individual money purchase accounts of the members.

The latest actuarial valuation as of January 1, 1992 showed an actuarial liability of $46,732,000 and assets on hand of $54,047,000. After deducting the equivalent of 15% of the actuarial liability for the contingency reserve, the remaining surplus to be allocated to members is $305,000. The assets and liabilities of the pension plans are not reflected in the financial statements.

5. Reserves

The reserves are funds set aside to meet the cost of future obligations. Payments are made from the reserve and from accrued investment earnings.

a. Group Insurance

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

b. Retirement Benefits

The reserve provides for early retirement benefit obligations and other benefit supplements.

c. Lease Commitment

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, which started in September 1988 increasing to $1,648,000 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.

d. Academic Pension Plan

The University will contribute $200,000 a year to this reserve until the unfunded liability of $1,900,000 in the formula retirement benefit account is fully funded (see note 6).

e. Self Insurance:

This reserve is held to pay self insured property and liability losses.

SIMON FRASER UNIVERSITY
STATEMENT OF CHANGES IN UNAPPROPRIATED EXPENDABLE FUND BALANCES
FOR THE YEAR ENDED MARCH 31, 1994
(thousands of dollars)

Statement 3

	General Operating	Sponsored Research	Specific Purpose	Ancillary Enterprises	Capital	Totals 1994	Totals 1993
REVENUES AND OTHER ADDITIONS							
Government grants and contracts							
Province of British Columbia	$ 116,167	$ 2,461	$ 4,494	$ -	$ 22,933	$ 146,055	$ 141,426
Government of Canada	112	12,052	7,739	-	-	19,903	18,634
Other governments	-	480	9	-	-	489	297
Student fees - credit courses	30,801	-	394	-	-	31,195	28,134
- non-credit courses	1,521	-	1,247	-	-	2,768	2,105
- other	1,873	-	-	-	-	1,873	1,356
Gifts, grants and contracts	152	3,718	3,417	-	1,933	9,220	6,961
Sale of goods and services	-	-	-	10,577	-	10,577	8,727
Investment income	2,663	-	6,715	126	571	10,075	8,166
Miscellaneous income	1,052	-	547	-	12	1,611	1,429
Capital borrowings	-	-	-	-	35,062	35,062	51,458
Interest earned on sinking fund	-	-	-	-	3,231	3,231	3,378
	154,341	18,711	24,562	10,703	63,742	272,059	272,071
EXPENDITURES AND OTHER DEDUCTIONS							
Salaries - academic	51,503	516	1,788	-	-	53,807	51,721
- other instruction and research	11,514	8,954	1,286	-	-	21,754	21,159
- support staff	42,545	-	3,645	1,217	-	47,407	47,006
Total salaries	105,562	9,470	6,719	1,217	-	122,968	119,886
Employee benefits	16,864	725	1,147	188	-	18,924	17,956
Travel and personnel costs	2,406	1,713	2,269	21	-	6,409	6,109
Supplies and expenses	10,725	2,407	2,099	863	-	16,094	15,098
Equipment and furnishings	2,055	2,534	854	312	3,351	9,106	11,113
Equipment and facility rentals	3,433	15	431	13	-	3,892	3,922
Library acquisitions	3,411	-	3	-	-	3,414	3,284
Utilities	2,910	9	57	586	-	3,562	3,061
Scholarships, fellowships and bursaries	3,844	-	2,234	-	-	6,078	6,772
Contract services	2,813	-	2	318	-	3,133	2,829
Professional fees	1,346	441	629	84	-	2,500	2,640
Renovations and alterations	478	3	35	151	2,084	2,751	3,211
Debt servicing - Interest	-	-	-	1,700	16,963	18,663	14,697
- principal	-	-	-	410	8,396	8,806	14,253
Cost of goods sold	-	-	-	4,785	-	4,785	4,680
Capital acquisitions	-	-	-	-	34,079	34,079	42,934
Internal cost allocations	(1,684)	325	1,250	109	-	-	-
External cost recoveries	(4,040)	-	(691)	(220)	-	(4,951)	(3,811)
	150,123	17,642	17,038	10,537	64,873	260,213	268,634
NET CHANGE IN THE YEAR	4,218	1,069	7,524	166	(1,131)	11,846	3,437
TRANSFERS AND APPROPRIATIONS							
Interfund transfers	(155)	183	(771)	(15)	758	-	-
Transfer to non-expendable funds (Statement 4)	(1)	-	(1,354)	-	-	(1,355)	(989)
Reserves transfers (Statement 2)	(419)	-	(875)	-	-	(1,294)	(421)
Change in appropriations (Statement 2)	(3,862)	-	-	146	1,264	(2,452)	(305)
NET (DECREASE) INCREASE DURING YEAR	(219)	1,252	4,524	297	891	6,745	1,722
FUND BALANCES AT BEGINNING OF YEAR	(1,879)	7,222	8,418	395	2,661	16,817	15,095
FUND BALANCES AT END OF YEAR	$ (2,098)	$ 8,474	$ 12,942	$ 692	$ 3,552	$ 23,562	$ 16,817

SIMON FRASER UNIVERSITY
STATEMENT OF CHANGES IN NON-EXPENDABLE FUND BALANCES
FOR THE YEAR ENDED MARCH 31, 1994
(thousands of dollars)

	1994	1993
GIFTS, GRANTS AND BEQUESTS	$ 6,147	$ 2,005
TRANSFER FROM UNAPPROPRIATED EXPENDABLE FUNDS (Note 8)	1,355	989
INCREASE DURING THE YEAR	7,502	2,994
FUND BALANCES AT BEGINNING OF YEAR	31,180	28,186
FUND BALANCES AT END OF YEAR	$ 38,682	$ 31,180

b. **Canada Mortgage and Housing Corporation**

Maturity Date	Interest Rate	Balance Outstanding 1994 (000)	Balance Outstanding 1993 (000)	Annual Payments (incl. interest) Until Maturity (000)
Jan. 1, 2017	5.375%	$ 163	$ 166	$ 12
Jan. 1, 2018	5.875%	830	845	65
Jul. 1, 2019	6.875%	2,040	2,069	171
		$3,033	$3,080	$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 $6,361,000.

c. **The Province of British Columbia** (Minister of Finance and Corporate Relations)

Maturity Date	Interest Rate	Balance Outstanding 1994 (000)	Balance Outstanding 1993 (000)	Annual Payments (incl. interest) Until Maturity (000)
Dec. 10, 1996	9.41%	$ 3,072	$ 3,189	$ 415
Jan. 18, 1999	5.40%	2,120	-	269
Jan. 9, 2002	9.00%	3,000	3,000	336
Jan. 9, 2002	9.00%	3,000	3,000	336
Jun. 16, 2003	7.75%	4,520	-	420
Jan. 9, 2012	9.50%	3,000	3,000	350
Jun. 10, 2012	9.45%	3,000	3,000	349
Aug. 19, 2022	8.75%	5,000	5,000	482
		$26,712	$20,189	$2,957

The debenture maturing in 1996 is secured by a floating charge on the McTaggart Cowan student residence. The residence is recorded on the balance sheet at a cost of $3,685,000.

The rest of the bonds were issued to finance capital expenditures on a parkade and student residences.

4. Long-Term Debt

Long-term debt consists of the following:

	1994 (000)	1993 (000)
British Columbia Educational Institutions Capital Financing Authority	$173,501	$135,584
Less: sinking fund	37,115	29,498
	136,386	106,086
Canada Mortgage and Housing Corporation	3,033	3,080
Province of British Columbia	26,712	20,189
Less: sinking fund	526	200
	29,219	23,069
Total	$165,605	$129,155

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 5.40% to 17.00% and maturing from 1994 to 2014. 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 fiscal years are as follows:

	(000)
1995	$22,951
1996	$21,966
1997	$21,966
1998	$21,917
1999	$20,553

SIMON FRASER UNIVERSITY
STATEMENT OF CHANGES IN EQUITY IN CAPITAL ASSETS
FOR THE YEAR ENDED MARCH 31, 1994
(thousands of dollars)

Statement 5

	1994	1993
EQUITY INCREASED BY		
Additions to capital assets		
Capital Fund projects	$ 34,079	$ 42,934
Equipment and furnishings expenditures		
- General Operating Fund	2,055	2,274
- Sponsored Research Fund	2,534	3,054
- Specific Purpose Fund	854	726
- Ancillary Enterprises Fund	312	82
- Capital Fund	3,351	4,977
Library acquisitions expenditures		
- General Operating Fund	3,411	3,279
- Specific Purpose Fund	3	5
	46,599	57,331
Repayment of capital borrowings	5,573	10,880
Interest earned on sinking fund	3,231	3,378
	55,403	71,589
EQUITY DECREASED BY		
Authorized capital borrowings	35,062	51,458
Equipment written off	5,158	3,735
Library dispositions	50	55
	40,270	55,248
NET INCREASE DURING YEAR	15,133	16,341
BALANCE AT BEGINNING OF YEAR	198,612	182,271
BALANCE AT END OF YEAR	$ 213,745	$ 198,612

SIMON FRASER UNIVERSITY

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 1994

1. Significant Accounting Policies

a. Fund Accounting

Fund accounting procedures are employed in order to recognize restrictions placed on the use of resources by donors, funding agencies, or the Board of Governors. Separate accounts are maintained for each fund to facilitate 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 received for general operations of the University under the direction of the Board of Governors.
- Sponsored Research -
  Funds received for the support of research activities in the form of restricted grants, contracts and gifts.
- Specific Purpose -
  Funds received for the support of specified projects and programs which may be restricted by external agencies or by the Board of Governors.

The Vancouver Foundation holds a number of endowment funds for the benefit of the University. These funds total $7,107,000 at March 31, 1994 and the portion of $5,205,000 belonging to the University is included in the University's financial statements.

	(000)
Centre for North American Studies	$ 110
Gordon M. Shrum Chair in Science Fund	790
SFU Scholarship and Bursary Endowment Fund	1,235
Simon Fraser University Bridge Endowment Fund	4,010
Women's Studies Endowment Trust Fund	735
Tri-University's Paul and Helen Trussell Science Student Endowment Fund	227
	$7,107

In the fiscal year 1993/94 income from these funds of $578,000 (1993 $622,000) was paid to the University for specific purposes.

3. Loans Payable

Loans payable consist of:

	1994 (000)	1993 (000)
Interim financing	$ 5,532	$10,303
Revolving loans	1,000	3,500
Total	$ 6,532	$13,803

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 replaced by long-term debt. The revolving loans are authorized under Section 55 of the University Act.

ii. The University is one of four parties to a joint venture agreement under which research is conducted by University faculty members 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. There is no expectation of monetary gain to the University from this venture.

iii. The University owns 100% of the shares of SF Univentures Corporation (SFUV), which was established to promote technology transfer to the private sector. The consolidated assets of SFUV are not considered to be material and are not included in these financial statements.

2. Long-Term Investments

Long-term investments at fiscal year end are comprised of the following:

	1994 (000)	1993 (000)
Vancouver Foundation	$ 5,205	$ 5,155
Other	84,103	63,336
Total	$89,308	$68,491

Market value of the investments at March 31, 1994 was $93,487,000 (1993 - $75,884,000).

Expendable funds (Cont'd.):

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

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

Non-expendable funds

- Endowment -
  Funds received through gifts and grants, with the stipulation that these funds be invested and the income earned be expended for designated purposes.

b. Accrual Accounting

The University follows the accrual basis of accounting. Revenue is recognized when receivable and expenditures are recorded when goods or services are received.

c. Appropriations and Reserves

Appropriations and reserves 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.

d. Investments

Short term and long term 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.

e. Inventories

Inventories of supplies kept at Central Stores are recorded at cost. Inventories of merchandise held for resale in the Bookstore and the Microcomputer Store are recorded at the lower of cost and net realizable value.

f. Donations

Donations are recorded as revenue in the fiscal year in which they are received. Gifts-in-kind are recorded at fair market value on the date of their donation or at nominal value when the fair market value cannot be reasonably determined.

Promises made by donors to the University for donations to be received in future years are estimated at $3,157,000 (1993 - $7,286,000). Pledges are not recorded in the financial statements.

g. Capital Assets

Capital asset expenditures for land and buildings, equipment, library acquisitions, roads and parking lots and leasehold improvements in all funds are recorded and capitalized at cost, except for renovations under $10,000 which are recorded as expenditures.

The campus land was granted or donated to the University in 1965. It is recorded at $1,559,000 based on the Municipality of Burnaby assessment at the date of donation.

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.

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 capital assets, equipment and furnishings, library acquisitions, debt servicing and capital acquisitions are shown under "Expenditures and Other Deductions".

i. Equity in Capital Assets

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

j. University Interests in WCUMBS, TRIUMF and SFUV

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 (1994 - $158,000, 1993 - $154,000) 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 land and buildings on the Balance Sheet. There is no expectation of monetary gain to the University from this venture.