

**UNIVERSITY OF VICTORIA  
FINANCIAL STATEMENTS  
MARCH 31, 2012**

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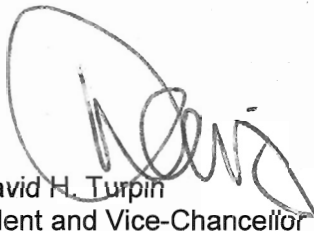
## STATEMENT OF ADMINISTRATIVE RESPONSIBILITY FOR FINANCIAL STATEMENTS

The University is responsible for the preparation of financial statements and has prepared them in accordance with Canadian generally accepted accounting principles prescribed for not-for-profit organizations by the Canadian Institute of Chartered Accountants. The consolidated financial statements present fairly the financial position of the University as at March 31, 2012, and the results of its operations and cash flows and the changes in its net assets for the year then ended.

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

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

The consolidated financial statements have been examined by KPMG LLP, Chartered Accountants, the external auditors appointed by the University's Board of Governors. The Auditors' report outlines the scope of their examination and expresses their opinion on the fair presentation of the consolidated financial statements of the University for the year ended March 31, 2012.



Dr. David H. Turpin  
President and Vice-Chancellor



Ms. Gayle Gorrill  
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## INDEPENDENT AUDITORS' REPORT

*To the Board of Governors of the University of Victoria and  
To the Minister of Advanced Education, Province of British Columbia*

We have audited the accompanying consolidated financial statements of the University of Victoria, which comprise the consolidated statement of financial position as at March 31, 2012, the consolidated statements of changes in net assets, revenue and expense and changes in unrestricted net assets and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the Consolidated Financial Statements*

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform an audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Opinion*

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the University of Victoria as at March 31, 2012, and its consolidated results of operations and its consolidated cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Chartered Accountants  
May 29, 2012  
Victoria, Canada

**UNIVERSITY OF VICTORIA**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

As at March 31, 2012

(In thousands of dollars)

Statement 1

|   | <u>2012</u>      | <u>2011</u>      |
|---|------------------|------------------|
| <b>ASSETS</b>   |                  |                  |
| <b>Current assets</b>                                   |                  |                  |
| Cash and cash equivalents (note 3)                      | 98,983           | 80,116           |
| Accounts receivable                                     | 21,461           | 53,437           |
| Inventories   | 3,301            | 3,342            |
| Prepaid expenses  | <u>15,062</u>    | <u>11,998</u>    |
|   | 138,807          | 148,893          |
| <br>  |                  |                  |
| Long term receivables (note 4)                          | 4,572            | 5,346            |
| Equity in and advances to subsidiaries (note 5)         | 25,661           | 25,873           |
| Endowment and other investments (note 6)                | 402,459          | 391,975          |
| Capital assets (note 7)                                 | <u>650,216</u>   | <u>645,973</u>   |
|   | <u>1,221,715</u> | <u>1,218,060</u> |
| <br>  |                  |                  |
| <b>LIABILITIES AND NET ASSETS</b>                       |                  |                  |
| <b>Current liabilities</b>                              |                  |                  |
| Accounts payable and accrued liabilities                | 54,030           | 49,994           |
| Current portion of long term debt                       | <u>1,920</u>     | <u>1,855</u>     |
|   | 55,950           | 51,849           |
| <br>  |                  |                  |
| Deferred contributions (note 8)                         | 85,529           | 109,723          |
| Employee future benefits (note 9)                       | 17,108           | 16,598           |
| Long term debt (note 10)                                | 47,599           | 58,640           |
| Unamortized deferred capital contributions (note 11)    | <u>400,029</u>   | <u>393,424</u>   |
|   | <u>606,215</u>   | <u>630,234</u>   |
| <br>  |                  |                  |
| <b>Net Assets</b>                                       |                  |                  |
| Invested in capital assets                              | 217,031          | 218,836          |
| Endowment (note 14)                                     | 281,589          | 265,046          |
| Internally restricted (note 15)                         | 102,350          | 90,600           |
| Unrestricted  | <u>14,530</u>    | <u>13,344</u>    |
|   | <u>615,500</u>   | <u>587,826</u>   |
|   | <u>1,221,715</u> | <u>1,218,060</u> |
| <br>  |                  |                  |
| <b>Commitments and contingent liabilities (note 18)</b> |                  |                  |

Approved on behalf of  
the Board of Governors



Susan Mehinagic  
Chair,  
Board of Governors



Gayle Gorrill  
Vice-President,  
Finance and Operations

**UNIVERSITY OF VICTORIA**  
**CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS**

For the Year ended March 31, 2012

(In thousands of dollars)

**Statement 2**

|  | Invested in<br>Capital<br><u>Assets</u> | <u>Endowment</u><br>(note 14) | <u>Internally<br/>Restricted</u><br>(note 15) | <u>Unrestricted</u><br>(statement 3) | <u>Total</u><br>2012 | <u>Total</u><br>2011 |
|--|---|-------------------------------|---|--------------------------------------|----------------------|----------------------|
| Balance, beginning of year                                   | 218,836                                 | 265,046                       | 90,600  | 13,344                               | 587,826              | 547,691              |
| Excess (deficiency) of revenue over expense                  | (18,573)                                |                               |   | 29,666                               | 11,093               | 17,046               |
| Changes in investment in capital assets                      |   |                               |   |                                      |                      |                      |
| Land, collections, works of art and other                    | 38                                      |                               |   |                                      | 38                   | (69)                 |
| Other assets acquired with unrestricted net assets           | 16,174                                  |                               |   | (16,174)                             | -                    | -                    |
| Debt acquired less debt retired with unrestricted net assets | 556                                     |                               |   | (556)                                | -                    | -                    |
| Changes in internally restricted net assets                  |   |                               |   |                                      |                      |                      |
| Appropriations   |   |                               | 37,082  | (37,082)                             | -                    | -                    |
| Released to meet expenses                                    |   |                               | (25,332)                                      | 25,332                               | -                    | -                    |
| Changes in endowment net assets                              |   |                               |   |                                      |                      |                      |
| Contributions received                                       |   | 8,209                         |   |                                      | 8,209                | 18,392               |
| Investment income and donations capitalized                  |   | 8,334                         |   |                                      | 8,334                | 4,766                |
| Balance, end of year   | <u>217,031</u>                          | <u>281,589</u>                | <u>102,350</u>                                | <u>14,530</u>                        | <u>615,500</u>       | <u>587,826</u>       |

See accompanying notes to the consolidated financial statements

**UNIVERSITY OF VICTORIA**  
**CONSOLIDATED STATEMENT OF REVENUE AND EXPENSE AND CHANGES IN UNRESTRICTED NET ASSETS**  
For the Year ended March 31, 2012  
(In thousands of dollars)

|  | Total<br><u>2012</u> | Total<br><u>2011</u> |
|--|----------------------|----------------------|
| <b>REVENUE</b>   |                      |                      |
| Government grants and contracts - provincial (note 12)       | 184,007              | 192,596              |
| - federal  | 54,287               | 49,835               |
| - other  | 16,336               | 16,698               |
| Student tuition - credit courses                             | 97,933               | 93,955               |
| - non credit courses and other                               | 18,289               | 18,913               |
| Donations, non government grants and contracts               | 12,856               | 10,544               |
| Sales of services and products                               | 60,786               | 59,286               |
| Investment income (note 13)                                  | 24,924               | 15,054               |
| Other revenue  | 6,363                | 6,270                |
| Amortization of deferred capital contributions               | 30,340               | 28,702               |
|  | <u>506,121</u>       | <u>491,853</u>       |
| <b>EXPENSE</b>   |                      |                      |
| Salaries - academic  | 99,156               | 96,989               |
| - other instruction and research                             | 37,690               | 36,512               |
| - support staff  | 116,135              | 112,082              |
|  | <u>252,981</u>       | <u>245,583</u>       |
| Employee benefits  | 44,953               | 40,531               |
| Travel   | 12,388               | 12,652               |
| Supplies and services  | 66,805               | 65,839               |
| Equipment rental and maintenance                             | 3,297                | 4,021                |
| Utilities  | 8,743                | 8,134                |
| Scholarships, fellowships and bursaries                      | 32,484               | 30,918               |
| Cost of goods sold   | 15,167               | 15,777               |
| Interest on long term debt                                   | 4,150                | 3,468                |
| Renovations  | 516                  | 468                  |
| Depreciation   | 48,913               | 47,416               |
| Loss on repayment of debt (note 10)                          | 4,631                | -                    |
|  | <u>495,028</u>       | <u>474,807</u>       |
| <b>Excess of revenue over expense</b>                        | <u>11,093</u>        | <u>17,046</u>        |
| Depreciation on assets acquired with unrestricted net assets | 18,573               | 18,714               |
| Other transfers to invested in capital assets                | (16,730)             | (37,340)             |
| Transfers (to) from internally restricted funds              | (11,750)             | 172                  |
| Changes in unrestricted net assets                           | 1,186                | (1,408)              |
| Balance, beginning of year                                   | 13,344               | 14,752               |
| Balance, end of year   | <u>14,530</u>        | <u>13,344</u>        |

**UNIVERSITY OF VICTORIA**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
For the Year ended March 31, 2012  
(In thousands of dollars)

Statement 4

|  | <u>2012</u>     | <u>2011</u>     |
|--|-----------------|-----------------|
| <b>Cash provided by (used in) operating activities</b>       |                 |                 |
| Excess of revenue over expense                               | 11,093          | 17,046          |
| Items not affecting cash:                                    |                 |                 |
| Depreciation   | 48,913          | 47,416          |
| Amortization of deferred capital contributions               | (30,340)        | (28,702)        |
| Increase in employee future benefits                         | 510             | 780             |
| Financial instrument fair market value adjustments           | 5,648           | (12,738)        |
| Earnings on equity accounted investments                     | (527)           | (240)           |
| Net changes in non-cash working capital items:               |                 |                 |
| Decrease (increase) in current assets                        | 28,953          | (29,170)        |
| Increase in current liabilities                              | 3,072           | 2,512           |
|  | <u>67,322</u>   | <u>(3,096)</u>  |
| <b>Cash provided by (used in) investing activities</b>       |                 |                 |
| Change in long term receivables and advances to subsidiaries | 857             | 1,000           |
| Increase in endowment and other investments                  | (23,336)        | (12,834)        |
| Capital asset acquisitions and construction                  | (53,118)        | (88,011)        |
|  | <u>(75,597)</u> | <u>(99,845)</u> |
| <b>Cash provided by (used in) financing activities</b>       |                 |                 |
| Long term debt and sinking fund payments                     | (2,152)         | (5,335)         |
| Net (decrease) increase in deferred contributions            | (24,194)        | 15,133          |
| Capital contributions received                               | 36,945          | 56,008          |
| Increase in endowment net assets                             | 16,543          | 23,158          |
|  | <u>27,142</u>   | <u>88,964</u>   |
| <b>Increase (decrease) in cash and cash equivalents</b>      | 18,867          | (13,977)        |
| <b>Cash and cash equivalents, beginning of year</b>          | <u>80,116</u>   | <u>94,093</u>   |
| <b>Cash and cash equivalents, end of year</b>                | <u>98,983</u>   | <u>80,116</u>   |
| <b>Supplemental cash flow information</b>                    |                 |                 |
| Cash paid for interest                                       | <u>3,326</u>    | <u>3,524</u>    |

See accompanying notes to the consolidated financial statements

**UNIVERSITY OF VICTORIA**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**MARCH 31, 2012**

**NOTE 1 AUTHORITY AND PURPOSE**

The University of Victoria operates under the authority of the University Act of British Columbia. It is a comprehensive research university offering a wide range of undergraduate, graduate and continuing studies programs. The University is governed by a 15 member Board of Governors, eight of whom are appointed by the government of British Columbia including two on the recommendation of the Alumni Association. The academic governance of the University is vested in the Senate. The University is a registered charity and is therefore exempt from income taxes under Section 149 of the Income Tax Act.

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES**

(a) General

These financial statements are prepared in accordance with Canadian generally accepted accounting principles for as recommended by the Canadian Institute of Chartered Accountants (CICA). The University has adopted the deferral method of accounting for contributions.

(b) Consolidated Operations

The University conducts certain activities through related entities. These financial statements consolidate the accounts of four wholly owned subsidiaries of the University:

- UVic Industry Partnerships (formerly University of Victoria Innovation and Development Corporation) which facilitates research partnerships between the private sector and the University.
- University of Victoria Properties Investments Inc. which manages the University's real estate holdings including the Vancouver Island Technology Park Trust.
- Ocean Networks Canada Society which manages the University's VENUS and NEPTUNE ocean observatories.
- Pacific Climate Impacts Consortium which stimulates collaboration to produce climate information for education, policy and decision making.

The financial statements consolidate the accounts of the University of Victoria Long Term Disability Trust which administers an employee benefit plan on behalf of the University's faculty and administrative professional staff.

The financial statements consolidate the accounts of related not-for-profit organizations whose activities benefit the University:

- University of Victoria Foundation, the Foundation for the University of Victoria, and the U.S. Foundation for the University of Victoria which encourage financial support of the University and administer the University's endowment funds.

The operations of University of Victoria Properties Investments Inc. are reported in Schedule A as Ancillary Enterprises, Ocean Networks Canada Society and the Pacific Climate Impacts Consortium are reported as Sponsored Research, while the operations of the other five entities are reported as Specific Purposes.

The financial statements include the accounts of the University's two profit-oriented subsidiaries using the equity method of accounting:

- Heritage Realty Properties Ltd. which manages the property rental and downtown hotel and brew-pub operation donated by the late Michael C. Williams.
- Vancouver Island Technology Park Trust which provides leased space to high-technology companies on Vancouver Island.

The financial statements include the accounts of the following joint ventures using the equity method of accounting:

- Tri-Universities Meson Facility (TRIUMF) which operates a research facility for sub-atomic physics located at the University of British Columbia. The financial statements include the University's 9.09% interest.



- Western Canadian Universities Marine Sciences Society (WCUMSS) which operates a marine research facility at Bamfield on the west coast of Vancouver Island. The financial statements include the University's 20% interest.

All entities have a fiscal year end of March 31 with the exception of Heritage Realty Properties Ltd. which has a December 31 year end.

(c) Deferral Method and Fund Accounting

The University follows the deferral method of accounting for contributions, and manages its operating results using fund accounting. The fund accounting procedures are employed primarily to recognize external restrictions placed on the use of resources by donors and granting agencies and to recognize appropriations and other internal restrictions placed by governing boards. Separate accounts are maintained for each fund, and for financial reporting purposes, funds with similar characteristics are grouped together as described below.

The General Operating Fund reports revenue and expense related to the general operations of the University.

The Ancillary Enterprises Fund reports revenue and expense related to service operations that are expected to function on a self-supporting basis. These operations comprise the bookstore, food services, student residences, Dunsmuir Lodge conference and training centre, parking services, child care services, computer store, donated property rental, hotel and brew-pub operations and the Vancouver Island Technology Park.

The Specific Purposes Fund accounts for revenue (including endowment income) and expense relating to contract services and special projects.

The Sponsored Research Fund accounts for monies designated for support of research.

The Capital Fund accounts for monies designated for the acquisition of capital assets and major renovations. Where monies designated for capital use are received as part of the resources for general operations, ancillary enterprises, specific purposes and sponsored research activities - generally for equipment, furnishings, computer equipment and library holdings - the revenue and expense related to those assets are accounted for in those respective funds.

The Endowment assets, held as invested principal, comprise the accumulation of endowment contributions and the portion of investment income that is required by the donors and the Board to be added to the fund to offset the eroding effect of inflation.

(d) Revenue Recognition

Operating government grants that are not restricted as to their use are recognized as revenue when receivable. Such grants, if received for a future period, are deferred and reported as Deferred Contributions until that future period. Other unrestricted revenue, including tuition fees and sales of services and products are reported as revenue at the time the services are provided or the products are delivered.

Externally restricted contributions - grants and donations - are reported as revenue depending on the nature of restrictions imposed by the contributors on the use of the monies:

- Non-capital contributions for specific purposes or research activity are recognized as revenue in the year in which the related expense is incurred.
- Contributions of or for the purchase of capital assets having a limited life are recognized as revenue over the same accounting periods as those in which the depreciation expense related to the capital asset purchased is recorded, and on the same basis as the depreciation expense. Where the capital asset involved is land, works of art or special collections of the Library to be held for use by the University, the contribution is reported as a direct increase in net assets invested in capital assets rather than as revenue.
- Endowment contributions are reported as direct increases to net assets held as endowment principal.

Unrestricted investment income is recognized as revenue when it is earned. Investment income earned on endowment principal is

recognized as a direct increase to net assets held as endowment principal to the extent it is stipulated or agreed by donors to be added to the principal amounts, essentially to protect the economic value of the endowments. The remaining investment income from the endowment principal is recognized as revenue of the Specific Purposes Fund, in the current year if unrestricted, or deferred to the year in which the related expense is incurred where the use of income is stipulated by the donor. Investment income, which is recorded on the accrual basis, includes interest income, dividends, and net realized and unrealized gains (losses) on securities.

(e) Cash and Cash Equivalents

Cash and cash equivalents consist of cash and externally managed money market funds which together with accrued interest income approximates fair value given the short-term nature of these investments.

(f) Inventories

Inventories of supplies and merchandise are recorded at the lower of cost, determined on a weighted-average costs basis, and net realizable value.

(g) Endowment and Other Investments

Endowment and other investments are classified as held for trading and stated at fair value. In determining fair values, adjustments have not been made for transaction costs. The change in the fair value of investments at the beginning and end of each year is reflected in the statement of revenue and expense and changes in unrestricted net assets or in the statement of financial position in deferred contributions if the income is externally restricted. Fixed income securities, equities and pooled funds are valued at year-end quoted closing market prices. Security acquisitions and disposals are recorded as of the date traded.

(h) Capital Assets

Capital assets acquired and constructed by the University are recorded at cost. Donated capital assets are recorded at their fair market value on the date of donation. Capital assets subject to depreciation in their value are depreciated on a straight-line basis over their estimated useful lives as shown in the schedule below. Depreciation is provided on assets as they become available for service. Land, works of art, and the Library's Special Collections are not depreciated as they are deemed to have permanent value. When a capital asset no longer contributes to the University's ability to provide services, its carrying value is written down to its residual value with no reversals of such write downs in subsequent periods.

|                       |          |
|-----------------------|----------|
| Buildings - Concrete  | 50 years |
| - Woodframe           | 30 years |
| - Heritage            | 35 years |
| Site improvements     | 30 years |
| Equipment - Computing | 3 years  |
| - Other               | 8 years  |
| Information systems   | 8 years  |
| Furnishings           | 8 years  |
| Library holdings      | 10 years |
| Ships/Vessels         | 25 years |

(i) Asset Retirement Obligations

Asset retirement obligations are recognized in the period in which they are incurred if a reasonable estimate of fair value can be made. The associated retirement costs are capitalized as part of the carrying amount of the long-lived asset and depreciated over the life of the asset. At this time, the University has determined that there are no significant retirement obligations with respect to its assets.

(j) Pledges, Gifts-in-Kind and Contributed Services

Pledges from donors are recorded when payment is received by the University or the transfer of property is completed since their ultimate collection cannot be reasonably assured until that time. Gifts-in-kind include securities, equipment, books, manuscripts, artwork and artifacts

which are recorded in the financial statements at their fair value at the time of donation. The University acknowledges the substantial and significant services provided by its many volunteers. The value of these services is not determinable and is not recorded in the financial statements.

(k) Pension and Other Employee Future Benefits

The costs of pension and other future employee benefits are recognized on an accrual basis over the working lives of employees as detailed in note 9.

(l) Long term debt

Long term debt is recorded on the amortized cost basis.

(m) Use of Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenue and expense during the reporting period. Significant items subject to such estimates and assumptions include the carrying amount of capital assets; valuation allowances for receivables and inventories; the valuation of financial instruments; and assets and obligations related to employee future benefits. Actual results could differ from those estimates.

(n) Financial Instruments

The University's financial instruments are classified into three categories. Cash and short-term investments, derivative instruments, long term receivables with the exception of receivables from related parties, and endowment and other investments are classified as held-for-trading and carried at fair value. Changes in fair value are recorded in operations. Accounts receivable and related party long term receivables are classified as other loans and receivables; accounts payable and long term debt are classified as other financial liabilities; both categories are carried at amortized cost using the effective yield method. It is management's opinion that the University is not exposed to significant currency or credit risk arising from these instruments. The University is exposed to interest rate risk as outlined in notes 5 and 10.

The University has elected to continue to apply financial instruments disclosure and presentation standards in accordance with CICA Handbook Section 3861.

(o) Future Accounting Framework

Effective April 1, 2012, the University will transition to a new accounting framework which will include Public Sector Accounting Standards supplemented by directives from the Government of British Columbia's Treasury Board. The transition to the new framework will be applied on a retroactive basis. The University is reviewing the impact of these standards on the financial statements.

**NOTE 3 CASH AND CASH EQUIVALENTS**

|                        | March 31                  |               |
|------------------------|---------------------------|---------------|
|                        | <u>2012</u>               | <u>2011</u>   |
|                        | (in thousands of dollars) |               |
| Cash                   | 45,177                    | 32,741        |
| Short term investments | <u>53,806</u>             | <u>47,375</u> |
|                        | <u>98,983</u>             | <u>80,116</u> |

Short term investments are invested in a money market fund with an average term to maturity of 55 days (2011 – 58 days).

**NOTE 4 LONG TERM RECEIVABLES**

|  | March 31                  |                     |
|--|---------------------------|---------------------|
|  | <u>2012</u>               | <u>2011</u>         |
|  | (in thousands of dollars) |                     |
| <b>BCNET</b>   |                           |                     |
| Interest at 4.5%, semi-annual principal and interest payments of \$63,000, due April 2019, unsecured   | 745                       | 834                 |
| <b>Various faculty and senior administrators</b>   |                           |                     |
| Home relocation loans receivable interest free for 5 years, with an option for further renewal unless employment ceases, generally secured by second mortgages | <u>4,538</u>              | <u>5,003</u>        |
|  | 5,283                     | 5,837               |
| Less current portion   | <u>711</u>                | <u>491</u>          |
|  | <u><u>4,572</u></u>       | <u><u>5,346</u></u> |

**NOTE 5 EQUITY IN AND ADVANCES TO SUBSIDIARIES**

|   | March 31                  |                      |
|---|---------------------------|----------------------|
|   | <u>2012</u>               | <u>2011</u>          |
|   | (in thousands of dollars) |                      |
| <b>Heritage Realty Properties Ltd.</b>  |                           |                      |
| Promissory note receivable, interest at Royal Bank Prime +5.0% payable annually, with principal repayment due May 31, 2021, secured by an unregistered equitable mortgage | 9,608                     | 9,258                |
| <b>Vancouver Island Technology Park Trust</b>   |                           |                      |
| Loans Receivable  |                           |                      |
| interest at 5.13%, monthly principal and interest payments of \$95,000, due April 2030, unsecured   | 13,381                    | 13,820               |
| interest at 6.13%, monthly principal and interest payments of \$25,000, due April 2030, unsecured   | <u>3,232</u>              | <u>3,327</u>         |
|   | 26,221                    | 26,405               |
| Less current portion  | <u>560</u>                | <u>532</u>           |
|   | <u><u>25,661</u></u>      | <u><u>25,873</u></u> |

**NOTE 6 ENDOWMENT AND OTHER INVESTMENTS**

|                             | <b>2012</b>               |                   | <b>2011</b>    |                   |
|-----------------------------|---------------------------|-------------------|----------------|-------------------|
|                             | <u>Cost</u>               | <u>Fair Value</u> | <u>Cost</u>    | <u>Fair Value</u> |
|                             | (in thousands of dollars) |                   |                |                   |
| Cash in portfolios          | 1,904                     | 1,904             | 3,248          | 3,248             |
| Government bonds 1-5 years  | 516                       | 533               | 450            | 450               |
| Government bonds > 5 years  | 26,369                    | 27,959            | 26,831         | 27,202            |
| Various pooled funds        | 143,079                   | 144,773           | 121,081        | 121,375           |
| Canadian equities           | 87,508                    | 104,489           | 89,490         | 116,364           |
| US equities                 | 20,645                    | 25,287            | 42,256         | 45,015            |
| Non-North American equities | 76,838                    | 81,392            | 50,806         | 53,294            |
| Term investments            | 6,094                     | 6,094             | 5,550          | 5,550             |
| Sinking funds               | 2,455                     | 2,980             | 11,279         | 12,961            |
| Other                       | 6,036                     | 7,048             | 5,415          | 6,516             |
| Total                       | <u>371,444</u>            | <u>402,459</u>    | <u>356,406</u> | <u>391,975</u>    |

Sinking fund investments are held and invested by the Province of British Columbia and will provide for retirement of debentures issued to the Province at maturity. Annual sinking fund payments due in the next five years are included in debt repayment in note 10.

**NOTE 7 CAPITAL ASSETS**

|                             | <b>2012</b>               |                                     |                           | <b>2011</b>               |
|-----------------------------|---------------------------|-------------------------------------|---------------------------|---------------------------|
|                             | <u>Cost</u>               | <u>Accumulated<br/>Depreciation</u> | <u>Net Book<br/>Value</u> | <u>Net Book<br/>Value</u> |
|                             | (in thousands of dollars) |                                     |                           |                           |
| Land                        | 21,745                    |                                     | 21,745                    | 21,745                    |
| Site improvements           | 31,755                    | 14,356                              | 17,399                    | 16,434                    |
| Buildings                   | 610,974                   | 155,394                             | 455,580                   | 445,389                   |
| Equipment and furnishings   | 207,939                   | 98,330                              | 109,609                   | 112,859                   |
| Information systems         | 18,441                    | 8,948                               | 9,493                     | 11,799                    |
| Computer equipment          | 18,740                    | 12,502                              | 6,238                     | 6,880                     |
| Ships/vessels               | 1,113                     |                                     | 1,113                     | 909                       |
| Library holdings            | 41,893                    | 22,679                              | 19,214                    | 20,171                    |
| Collection, not depreciated | 9,825                     |                                     | 9,825                     | 9,787                     |
|                             | <u>962,425</u>            | <u>312,209</u>                      | <u>650,216</u>            | <u>645,973</u>            |

Cost includes \$20,601,000 (2011 - \$2,729,000) primarily in buildings for construction in progress not amortized.

## NOTE 8 DEFERRED CONTRIBUTIONS

Deferred contributions represent externally restricted contributions received relating to a future period or that have not yet been spent for research, capital asset acquisition or other specific purposes. Changes in the deferred contributions balances are as follows:

|   | March 31                  |                       |
|---|---------------------------|-----------------------|
|   | <u>2012</u>               | <u>2011</u>           |
|   | (in thousands of dollars) |                       |
| Balance, beginning of year  | 109,723                   | 94,590                |
| Contributions received  | 92,456                    | 131,732               |
| Deduct transfers to:  |                           |                       |
| Revenue   | (102,249)                 | (91,112)              |
| Unamortized deferred capital contributions                          | (1,384)                   | (36,012)              |
| (Decrease) increase in endowment stabilization accounts in the year | <u>(13,017)</u>           | <u>10,525</u>         |
| Balance, end of year  | <u><u>85,529</u></u>      | <u><u>109,723</u></u> |
| The deferred contribution balance consists of the following:        |                           |                       |
| Specific Purposes   | 29,329                    | 43,720                |
| Sponsored Research  | 52,642                    | 61,701                |
| Capital   | <u>3,558</u>              | <u>4,302</u>          |
|   | <u><u>85,529</u></u>      | <u><u>109,723</u></u> |

## NOTE 9 EMPLOYEE FUTURE BENEFITS

Employee future benefit liabilities arise in connection with the University's self-funded group life insurance and long term disability plans. The University maintains pension plans, other retirement and supplementary benefit arrangements, and long term disability plans for substantially all of its continuing employees.

- (a) The pension fund for full-time continuing faculty and administrative and academic professional staff is referred to as the Combination Plan. This plan's benefits are derived primarily from defined contributions. If a retiring member selects an internal annuity with the defined contribution account, the annuity may be supplemented from a defined benefit provision to bring total benefits up to a defined benefit minimum. Most members do not qualify for a supplement because the defined contribution benefits usually exceed the minimum defined benefit. Since 1991, only fifty-four members have received a defined benefit supplement. At December 31, 2011, forty-seven members were receiving supplements that totalled \$16,500 of a total pension payroll of \$1.3 million per month. As a result, this plan has been accounted for as a defined contribution plan. The latest actuarial valuation as at December 31, 2009 showed that the accrued formula pension benefit liabilities of the Combination Plan were fully funded although the actuary has recommended that contributions be increased to maintain financial sustainability of the plan. The next valuation will be as at December 31, 2012. A pure defined contribution plan is available for part-time faculty and administrative and academic professional staff who meet certain eligibility criteria. The University has made contributions to these two plans during the year of \$17,542,000 (2011 - \$13,609,000) and recorded them as a pension expense.

The University provides supplemental pensions in excess of those provided under registered plans. They are fully funded out of the general assets of the University. The accrued liabilities of these arrangements total \$4,285,000 as at March 31, 2012 (2011 - \$4,294,000). The University paid supplemental pension benefits of \$90,000 in the year (2011 - \$57,000) and recorded employee benefit expense of \$123,000 (2011 - \$115,000). The supplemental pension obligations are complementary to the Combination Plan and as a result are similarly accounted for as defined contribution arrangements.

- (b) The pension plan for employees other than faculty and professional staff is a defined benefit pension plan. This plan provides pension benefits based on years of service. The cost of these benefits is determined using the projected benefit method prorated on employment service and is expensed as the services are rendered. The latest triennial actuarial valuation completed as at December 31, 2010 reported a going concern surplus and a solvency deficiency (ie. if the plan were to be wound up on that date) of \$33,000,000. The B.C. Pension Benefits Standards Act requires minimum annual contributions or the use of letters of credit to fund a solvency deficiency. The University has chosen to arrange letters of credit in the amount of \$6,975,000 to satisfy the current year's requirement and in years 2013 through 2016 a further \$6,900,000 per year will be required to satisfy the contribution requirement.

The following disclosure reflects on a prospective basis the updated valuations and liability estimates by management to December 31, 2011:

|  | <u>2012</u>               | <u>2011</u>    |
|--|---------------------------|----------------|
|  | (in thousands of dollars) |                |
| Accrued pension benefit obligations:         |                           |                |
| Benefit obligation, beginning of year        | 168,890                   | 157,801        |
| Net actuarial gain                           | (12,420)                  | -              |
| Current service cost                         | 4,947                     | 5,683          |
| Interest cost                                | 9,534                     | 9,367          |
| Employee contributions                       | 2,146                     | 2,135          |
| Benefit payments                             | <u>(7,161)</u>            | <u>(6,096)</u> |
| Benefit obligation, end of year              | <u>165,936</u>            | <u>168,890</u> |
| Plan Assets                                  |                           |                |
| Fair value of plan assets, beginning of year | 158,076                   | 143,682        |
| Actual return on plan assets                 | 3,862                     | 12,460         |
| Contributions by the University              | 5,903                     | 5,895          |
| Contributions by employees                   | 2,146                     | 2,135          |
| Benefit payments                             | <u>(7,161)</u>            | <u>(6,096)</u> |
| Fair value of plan assets, end of year       | <u>162,826</u>            | <u>158,076</u> |
| Plan deficit, end of year                    | (3,110)                   | (10,814)       |
| Unamortized net actuarial loss               | 5,947                     | 12,719         |
| Unamortized past service costs               | <u>(1,321)</u>            | <u>(1,585)</u> |
| Accrued benefit asset, end of year           | <u>1,516</u>              | <u>320</u>     |

Significant assumptions adopted and used by the actuary in 2011 in prospectively measuring the pension benefit obligation are an expected long-term rate of return on plan assets of 6.00% (2011 – 5.80%), a discount rate of 6.00% (2011 – 5.80%), and salary increases of 3.25% (2011 – 3.50%) which factors include a cost of living increase assumption of 2.25% (2011 – 2.50%).

The net pension expense for the above staff pension plan for the year ended December 31, 2011 was \$4,706,000 (2011 - \$5,025,000). The Supplementary Retirement Benefit Account is a separate fund available to provide pensioners over the age of 65 with supplemental indexing against inflation beyond that provided by the basic plan above. It is accounted for as a defined contribution plan, with University contributions during the year of \$115,000 (2011 - \$114,000).

- (c) The University administers an employee-funded long-term disability plan for faculty and administrative and academic professional staff. It is self-insured and the liability for the discounted present value of estimated future payments to current claimants is recorded.

An insured long-term disability plan funded entirely by the University was commenced for other staff on July 1, 2000. The University contribution for the year ending March 31, 2012 was \$1,110,000 (2011 - \$1,189,000).

Summary of employee future benefit obligations:

|                                  | March 31                  |               |
|----------------------------------|---------------------------|---------------|
|                                  | <u>2012</u>               | <u>2011</u>   |
|                                  | (in thousands of dollars) |               |
| Long-term disability plan        | 12,728                    | 11,128        |
| Basic group life insurance plan  | 1,414                     | 1,370         |
| Staff pension plan               | (1,516)                   | (320)         |
| Supplemental pension obligations | <u>4,482</u>              | <u>4,420</u>  |
|                                  | <u>17,108</u>             | <u>16,598</u> |

**NOTE 10 LONG TERM DEBT**

|  | March 31                  |               |
|--|---------------------------|---------------|
|  | <u>2012</u>               | <u>2011</u>   |
|  | (in thousands of dollars) |               |
| <b><u>Related to Student Residences</u></b>  |                           |               |
| Province of British Columbia   |                           |               |
| 7.875% bond due 2023, unsecured  |                           | 9,749         |
| Royal Bank of Canada   |                           |               |
| Term loan with floating interest rate fixed at 5.38%, to 2014,<br>through an interest rate swap due November 2024, unsecured | 11,196                    | 11,798        |
| <b><u>Related to Technology Enterprise Facility</u></b>  |                           |               |
| British Columbia Immigrant Investment Fund   |                           |               |
| 4.75% term loan due February 2017, unsecured   | 4,142                     | 4,328         |
| <b><u>Related to Science, Social Science &amp; Math and Support Service Buildings</u></b>                                    |                           |               |
| Province of British Columbia   |                           |               |
| 4.82% bond due 2027, unsecured<br>with annual sinking fund payments of \$327,000   | 10,800                    | 10,800        |
| 4.74% bond due 2038, unsecured<br>with annual sinking fund payments of \$302,000   | 10,000                    | 10,000        |
| <b><u>Related to Off-campus Business Enterprises - Vancouver Island Technology Park</u></b>                                  |                           |               |
| Great West Life Assurance Company  |                           |               |
| 5.13% term loan due April 2030, unsecured  | <u>13,381</u>             | <u>13,820</u> |
| Total debt (fair value 2012 - \$58,117,000; 2011 - \$68,499,000)   | 49,519                    | 60,495        |
| Less current portion of long term debt   | <u>1,920</u>              | <u>1,855</u>  |
| Total long term debt   | <u>47,599</u>             | <u>58,640</u> |



Principal and interest payments of these debt instruments are made primarily from the Ancillary Enterprises Fund except for the Technology Enterprise Facility debt and the Science, Social Science and Support Building debt whose principal is paid from the Capital Fund and interest paid from the General Operating Fund.

The University has two interest rate swap agreements associated with the Royal Bank of Canada and BC Immigration Investment Fund (BCIIF) debts. The BCIIF swap was negotiated to fix the effective interest rate at 5.138%, for an additional 10 years, commencing in 2017. The fair value of the liabilities for these instruments as at March 31, 2012 are \$2,055,000 (2011 – \$1,304,000) and \$245,000 (2011 – \$32,000).

During the year the University repaid the Province of British Columbia bond related to student residences with an amortized cost of \$9,749,000 with the corresponding sinking fund with a fair value at the time of repayment of \$14,379,843.

Annual payments of principal, including sinking fund requirements, due in each of the next five fiscal years are as follows:

| <u>March 31</u> | <u>Annual Payments</u><br>(in thousands of dollars) |
|-----------------|---|
| 2013            | 1,920   |
| 2014            | 1,993   |
| 2015            | 2,067   |
| 2016            | 2,145   |
| 2017            | 2,228   |
|                 | <u>10,353</u>                                       |

**NOTE 11 UNAMORTIZED DEFERRED CAPITAL CONTRIBUTIONS**

Unamortized deferred capital contributions represent the externally restricted portion of capital contributions which will be recognized as revenue in future periods corresponding to or offsetting the depreciation expense of the related capital assets. No such offset is applicable to depreciable capital assets for which the University has not received specific funding and which are acquired out of unrestricted government grants or other revenue, as is the case with most library holdings and teaching equipment. Changes in unamortized deferred capital contributions are as follows:

|  | March 31                  |                 |
|--|---------------------------|-----------------|
|  | <u>2012</u>               | <u>2011</u>     |
|  | (in thousands of dollars) |                 |
| Balance, beginning of year   | 393,424                   | 366,118         |
| Contributions received   | 35,561                    | 19,996          |
| Transfers from deferred contributions  | 1,384                     | 36,012          |
|  | <u>430,369</u>            | <u>422,126</u>  |
| Transferred to revenue   | <u>(30,340)</u>           | <u>(28,702)</u> |
| Balance, end of year   | <u>400,029</u>            | <u>393,424</u>  |
| The unamortized deferred capital contribution balance consists of the following: |                           |                 |
| Ancillary Enterprises  | 10,725                    | 11,271          |
| Specific Purposes  | 1,944                     | 1,785           |
| Sponsored Research   | 101,754                   | 89,549          |
| Capital  | <u>285,606</u>            | <u>290,819</u>  |
|  | <u>400,029</u>            | <u>393,424</u>  |

**NOTE 12 GOVERNMENT GRANTS AND CONTRACTS**

During the year, the University recorded the following government grants and contracts as they became receivable in accordance with the deferral method of accounting for contributions as described in note 2 (d):

|  | Year ended March 31       |                 |
|--|---------------------------|-----------------|
|  | <u>2012</u>               | <u>2011</u>     |
|  | (in thousands of dollars) |                 |
| Province of British Columbia -                   |                           |                 |
| General Operating                                | 176,803                   | 177,681         |
| Ancillary Enterprises                            | 1,602                     | 1,657           |
| Specific Purposes                                | 807                       | 2,233           |
| Sponsored Research                               | 19,180                    | 14,894          |
| Capital Funding                                  | 983                       | 13,334          |
| Recorded as deferred contributions (net)         | <u>(15,368)</u>           | <u>(17,203)</u> |
|  | <u>184,007</u>            | <u>192,596</u>  |
| Government of Canada -                           |                           |                 |
| General Operating                                | 6,267                     | 6,083           |
| Specific Purposes                                | 812                       | 883             |
| Sponsored Research                               | 57,239                    | 60,722          |
| Capital Funding                                  |                           | 17,206          |
| Recorded as deferred contributions (net)         | <u>(10,031)</u>           | <u>(36,659)</u> |
|  | <u>54,287</u>             | <u>48,235</u>   |
| Other Governments -                              |                           |                 |
| General Operating                                | 5,494                     | 5,967           |
| Specific Purposes                                | 47                        | 26              |
| Sponsored Research                               | 9,625                     | 11,825          |
| Transfers from (to) deferred contributions (net) | <u>1,170</u>              | <u>(1,120)</u>  |
|  | <u>16,336</u>             | <u>16,698</u>   |
|  | <u>254,630</u>            | <u>257,529</u>  |

Included in accounts receivable are amounts due from the Province of British Columbia of \$930,000 (2011 - \$1,353,000).

**NOTE 13 INVESTMENT INCOME**

|   | Year ended March 31       |                 |
|---|---------------------------|-----------------|
|   | <u>2012</u>               | <u>2011</u>     |
|   | (in thousands of dollars) |                 |
| Interest and dividend income              | 15,999                    | 14,827          |
| Net realized gains                        | 7,038                     | 6,201           |
| Net unrealized gains (losses)             | (4,481)                   | 12,148          |
| Other                                     | 527                       | 240             |
| Transfer from (to) deferred contributions | <u>5,841</u>              | <u>(18,362)</u> |
|   | <u>24,924</u>             | <u>15,054</u>   |

**NOTE 14 ENDOWMENT NET ASSETS**

The University's endowments are held primarily by the University of Victoria Foundation and consist of restricted donations and capitalized investment income which maintains the economic value of the endowments over time. The Foundation also maintains a stabilization account for each of its endowments which are intended to hold surplus investment income in reserve to address fluctuations in investment returns and to ensure spending distributions remain stable each year. Stabilization account balances change with the distribution of net investment income or losses, allocation to spending accounts to pay awards and allocations to endowment principal to capitalize income.

The balance shown does not include endowment principal with fair value of \$5,705,000 (2011 - \$5,794,000) and book value of \$4,820,000 (2011- \$4,820,000) held by the Vancouver Foundation. The excluded principal is not owned or controlled by the University, but income from it is paid to the University to be used for specific purposes.

**NOTE 15 INTERNALLY RESTRICTED NET ASSETS**

Internally restricted fund balances represent the University's net assets set aside or appropriated by the Board of Governors for the following purposes:

|  | March 31                  |                 |
|--|---------------------------|-----------------|
|  | <u>2012</u>               | <u>2011</u>     |
|  | (in thousands of dollars) |                 |
| General Operating Fund   |                           |                 |
| Equipment replacement and capital improvements                               | 40,477                    | 39,098          |
| Budgetary savings available for non-recurring expenditures (i.e. carryovers) | 80,023                    | 75,929          |
| Less vacation pay, long-term disability and pension expense liabilities      | <u>(9,083)</u>            | <u>(10,102)</u> |
|  | 111,417                   | 104,925         |
| Ancillary Enterprises Fund   |                           |                 |
| Equipment replacement and capital improvements                               | 15,136                    | 15,508          |
| Less vacation pay, long-term disability and pension expense liabilities      | <u>(1,117)</u>            | <u>(1,240)</u>  |
|  | 14,019                    | 14,268          |
| Capital Fund   |                           |                 |
| Capital assets funded by temporary advances from appropriations              | <u>(23,086)</u>           | <u>(28,593)</u> |
|  | <u>102,350</u>            | <u>90,600</u>   |

**NOTE 16 DONATION PLEDGES AND GIFTS IN KIND**

The total donations which have been pledged but not received as at March 31, 2012 are \$28,487,000 (2011 - \$25,422,000). These pledges are not recorded in the financial statements (note 2 (j)).

During the year ended March 31, 2012, the University recorded donated gifts-in-kind with an estimated value at the date of receipt totalling \$902,000 (2011 - \$10,598,000). Gifts in kind include securities, equipment, books, manuscripts, and artwork.

**NOTE 17 JOINT VENTURES AND RELATED PARTIES THAT ARE NOT CONSOLIDATED**

The University is a member of the two joint ventures described below which are recorded using the equity method of accounting. No monetary gain is expected from these entities.

(a) The University is one of eleven university members of a consortium which manages the Tri-Universities Meson Facility (TRIUMF). The

facility is funded by federal government grants and the University makes no direct financial contribution.

(b) The University is one of five members of the Western Canadian Universities Marine Sciences Society (WCUMSS). The University provided a grant to the Society in 2012 of \$228,000 (2011 - \$238,000) which is recorded as an expense in the General Operating Fund.

The University controls two profit-oriented subsidiaries which are recorded using the equity method of accounting:

- (a) Heritage Realty Properties Ltd.
- (b) Vancouver Island Technology Park Trust

Financial information in respect to the University's share of the entities recorded using the equity method is as follows:

|   | Year Ended March 31 ( in thousands of dollars) |            |               |            |                         |              |                    |              |
|---|--|------------|---------------|------------|-------------------------|--------------|--------------------|--------------|
|   | TRIUMF<br>9.09%                                |            | WCUMSS<br>20% |            | Heritage Realty<br>100% |              | VITP Trust<br>100% |              |
|   | 2012   | 2011       | 2012          | 2011       | 2012                    | 2011         | 2012               | 2011         |
| Assets  | 2,485  | 2,207      | 1,238         | 1,309      | 16,173                  | 13,765       | 20,769             | 21,193       |
| Liabilities                                   | 2,078  | 1,911      | 449           | 462        | 16,393                  | 14,289       | 19,034             | 19,628       |
| Equity (Deficit)                              | <u>407</u>                                     | <u>296</u> | <u>789</u>    | <u>847</u> | <u>(220)</u>            | <u>(524)</u> | <u>1,735</u>       | <u>1,565</u> |
| Revenue                                       | 620  | 710        | 574           | 673        | 7,253                   | 7,072        | 5,091              | 4,919        |
| Expenses                                      | 441  | 461        | 632           | 655        | 7,215                   | 6,939        | 4,190              | 4,246        |
|   | 179  | 249        | (58)          | 18         | 38                      | 133          | 901                | 673          |
| Interfund Transfers,<br>Distributions & Other | (68)   | (36)       |               |            | 266                     | (45)         | (731)              | (752)        |
| Net Income (Loss)                             | <u>111</u>                                     | <u>213</u> | <u>(58)</u>   | <u>18</u>  | <u>304</u>              | <u>88</u>    | <u>170</u>         | <u>(79)</u>  |

The University of Victoria Hong Kong Foundation Limited incorporated in November 2002 has had no material financial transactions to date.

#### **NOTE 18 COMMITMENTS AND CONTINGENT LIABILITIES**

There were \$2,126,000 of commitments in regard to construction contracts at March 31, 2012 (2011 - \$2,684,000).

The University's commitments for various operating leases for the next five years are as follows: 2013 - \$ 541,000; 2014 - \$439,000; 2015 - \$381,000; 2016 - \$201,000; 2017 - \$48,000.

The University is one of 58 Canadian University subscribers to CURIE, which has provided property and liability coverage to most campuses other than in Quebec and Prince Edward Island since 1988. The anticipated cost of claims based on actuarial projections is funded through member premiums. Subscribers to CURIE have exposure to premium retro-assessments should the premiums be insufficient to cover losses and expenses.

From time to time, the University is involved in litigation or proceedings relating to claims arising out of its operations in the ordinary course of business. It is the opinion of management that the aggregate amount of any potential liability is not expected to have a material adverse effect on the University's financial position or results.

**NOTE 19 CAPITAL DISCLOSURES**

The University considers its capital to be its net assets, deferred capital contributions and long term debt. The University's objectives when managing its capital are to fund its operations, capital additions, and research activity to ensure ongoing services to its students and funding agencies. Budgets are developed and monitored to ensure capital is preserved in accordance with funding terms. The University is not subject to debt covenants or any other capital requirements with respect to operating funding. Funding received for designated purposes must be used for the purpose outlined in the funding letter. The University has complied with the external restrictions on the funding provided.

**NOTE 20 FUNDS HELD IN TRUST**

Funds held in trust are funds held on behalf of autonomous organizations, agencies, and student societies having close connections with the University. These funds are not reported on the University's consolidated statement of financial position (2012 - \$1,722,000; 2011 - \$1,593,000).

**NOTE 21 COMPARATIVE INFORMATION**

Certain comparative information has been reclassified to conform to the presentation adopted for the current year. In addition, during the year it was identified that unrestricted federal grants expended on capital assets were capitalized as unamortized deferred capital contributions. The comparative information was corrected for these immaterial amounts to decrease unamortized deferred capital contributions by \$5,950,000 and to increase net assets invested in capital assets by \$5,950,000.

**UNIVERSITY OF VICTORIA**  
**CONSOLIDATED SCHEDULE OF REVENUE AND EXPENSE AND CHANGES IN UNRESTRICTED NET ASSETS BY FUND**

For the Year ended March 31, 2012

(In thousands of dollars)

|  | <u>General<br/>Operating</u> | <u>Ancillary<br/>Enterprises</u> | <u>Specific<br/>Purposes</u> | <u>Sponsored<br/>Research</u> | <u>Capital</u> | <u>Total<br/>2012</u> | <u>Total<br/>2011</u> |
|--|------------------------------|----------------------------------|------------------------------|-------------------------------|----------------|-----------------------|-----------------------|
| <b>REVENUE</b>   |                              |                                  |                              |                               |                |                       |                       |
| Government grants and contracts - provincial (note 12)       | 176,803                      | 1,602                            | 843                          | 4,279                         | 480            | 184,007               | 192,596               |
| - federal  | 6,267                        |                                  | 853                          | 47,167                        |                | 54,287                | 49,835                |
| - other  | 5,494                        |                                  | 49                           | 10,793                        |                | 16,336                | 16,698                |
| Student tuition - credit courses                             | 97,933                       |                                  |                              |                               |                | 97,933                | 93,955                |
| - non credit courses and other                               | 16,427                       |                                  | 1,862                        |                               |                | 18,289                | 18,913                |
| Donations, non government grants and contracts               | 1,750                        | 18                               | 5,585                        | 5,503                         |                | 12,856                | 10,544                |
| Sales of services and products                               | 7,848                        | 46,446                           | 2,635                        | 3,484                         | 373            | 60,786                | 59,286                |
| Investment income (note 13)                                  | 5,061                        | 1,994                            | 15,907                       | 53                            | 1,909          | 24,924                | 15,054                |
| Other revenue  | 2,884                        | 1,370                            | 935                          | 475                           | 699            | 6,363                 | 6,270                 |
| Amortization of deferred capital contributions               | -                            | 546                              | 369                          | 20,241                        | 9,184          | 30,340                | 28,702                |
|  | <u>320,467</u>               | <u>51,976</u>                    | <u>29,038</u>                | <u>91,995</u>                 | <u>12,645</u>  | <u>506,121</u>        | <u>491,853</u>        |
| <b>EXPENSE</b>   |                              |                                  |                              |                               |                |                       |                       |
| Salaries - academic  | 91,304                       |                                  | 1,866                        | 5,986                         |                | 99,156                | 96,989                |
| - other instruction and research                             | 14,868                       |                                  | 1,902                        | 20,920                        |                | 37,690                | 36,512                |
| - support staff  | 96,216                       | 13,822                           | 1,042                        | 5,055                         |                | 116,135               | 112,082               |
|  | <u>202,388</u>               | <u>13,822</u>                    | <u>4,810</u>                 | <u>31,961</u>                 | <u>-</u>       | <u>252,981</u>        | <u>245,583</u>        |
| Employee benefits  | 37,257                       | 2,868                            | 1,155                        | 3,673                         |                | 44,953                | 40,531                |
| Travel   | 5,394                        | 83                               | 1,461                        | 5,450                         |                | 12,388                | 12,652                |
| Supplies and services  | 33,284                       | 4,090                            | 8,869                        | 19,726                        | 836            | 66,805                | 65,839                |
| Equipment rental and maintenance                             | 3,111                        | 150                              | 36                           |                               |                | 3,297                 | 4,021                 |
| Utilities  | 6,356                        | 2,304                            | 4                            | 79                            |                | 8,743                 | 8,134                 |
| Scholarships, fellowships and bursaries                      | 13,931                       |                                  | 5,489                        | 13,064                        |                | 32,484                | 30,918                |
| Cost of goods sold   |                              | 15,167                           |                              |                               |                | 15,167                | 15,777                |
| Interest on long term debt                                   | 1,314                        | 1,924                            |                              |                               | 912            | 4,150                 | 3,468                 |
| Renovations  | 294                          | 103                              | 6                            | 113                           |                | 516                   | 468                   |
| Internal cost allocations                                    | (6,716)                      | 4,125                            | 599                          | 3,311                         | (1,319)        | -                     | -                     |
| Depreciation   | 9,722                        | 3,094                            | 539                          | 20,285                        | 15,273         | 48,913                | 47,416                |
| Loss on repayment of debt (note 10)                          |                              |                                  |                              |                               | 4,631          | 4,631                 | -                     |
|  | <u>306,335</u>               | <u>47,730</u>                    | <u>22,968</u>                | <u>97,662</u>                 | <u>20,333</u>  | <u>495,028</u>        | <u>474,807</u>        |
| <b>Excess (deficiency) of revenue over expense</b>           | 14,132                       | 4,246                            | 6,070                        | (5,667)                       | (7,688)        | 11,093                | 17,046                |
| Depreciation on assets acquired with unrestricted net assets | 9,722                        | 2,548                            | 170                          | 44                            | 6,089          | 18,573                | 18,714                |
| Other transfers to invested in capital assets                | (7,110)                      | (4,409)                          | (107)                        | (1)                           | (5,103)        | (16,730)              | (37,340)              |
| Transfers from (to) internally restricted funds              | (6,492)                      | 249                              |                              |                               | (5,507)        | (11,750)              | 172                   |
| Interfund transfers  | (10,368)                     | (843)                            | (5,519)                      | 5,665                         | 11,065         | -                     | -                     |
| Changes in unrestricted net assets                           | (116)                        | 1,791                            | 614                          | 41                            | (1,144)        | 1,186                 | (1,408)               |
| Balance, beginning of year                                   | (3,315)                      | (4,852)                          | 3,316                        | 402                           | 17,793         | 13,344                | 14,752                |
| Balance, end of year   | <u>(3,431)</u>               | <u>(3,061)</u>                   | <u>3,930</u>                 | <u>443</u>                    | <u>16,649</u>  | <u>14,530</u>         | <u>13,344</u>         |

**UNIVERSITY OF VICTORIA**  
**Reconciliation Between Unaudited Fund Accounting Schedules and the Audited Deferral Method Financial Statements**  
For the Year ended March 31, 2012  
(In thousands of dollars)

|  | General Operating Fund |                |                | Total Funds     |                  |                |
|--|------------------------|----------------|----------------|-----------------|------------------|----------------|
|  | Fund Accounting        |                | Audited        | Fund Accounting |                  | Audited        |
|  | Schedule 3             | Adjustments    | Statement 3    | Schedule 3      | Adjustments      | Statement 3    |
| <b>REVENUE AND OTHER ADDITIONS</b>                           |                        |                |                |                 |                  |                |
| Government grants and contracts - provincial                 | 176,803                |                | 176,803        | 199,375         | (15,368) a&b     | 184,007        |
| - federal  | 6,267                  | b              | 6,267          | 64,318          | (10,031) a&b     | 54,287         |
| - other  | 5,494                  |                | 5,494          | 15,166          | 1,170 a&b        | 16,336         |
| Student fees - credit courses                                | 97,920                 | 13 h           | 97,933         | 97,920          | 13 h             | 97,933         |
| - non credit courses and other                               | 16,427                 |                | 16,427         | 18,289          |                  | 18,289         |
| Donations, non government grants and contracts               | 1,750                  |                | 1,750          | 15,101          | (2,245) a&b      | 12,856         |
| Sales of services and products                               | 7,848                  |                | 7,848          | 60,909          | (123) a          | 60,786         |
| Investment income (loss)                                     | 5,061                  |                | 5,061          | 19,083          | 5,841 a          | 24,924         |
| Other revenue  | 2,884                  |                | 2,884          | 6,365           | (2) a            | 6,363          |
| Amortization of deferred capital contributions               | -                      | b              | -              | -               | 30,340 b         | 30,340         |
|  | <u>320,454</u>         | <u>13</u>      | <u>320,467</u> | <u>496,526</u>  | <u>9,595</u>     | <u>506,121</u> |
| <b>EXPENDITURE AND OTHER DEDUCTIONS</b>                      |                        |                |                |                 |                  |                |
| Salaries - academic  | 91,304                 |                | 91,304         | 99,156          |                  | 99,156         |
| - other instruction and research                             | 14,868                 |                | 14,868         | 37,897          | (207) d          | 37,690         |
| - support staff  | 96,216                 |                | 96,216         | 116,493         | (358) d          | 116,135        |
|  | <u>202,388</u>         |                | <u>202,388</u> | <u>253,546</u>  | <u>(565)</u>     | <u>252,981</u> |
| Employee benefits  | 38,276                 | (1,019) c      | 37,257         | 46,165          | (1,212) c        | 44,953         |
| Travel   | 5,394                  |                | 5,394          | 12,395          | (7) d            | 12,388         |
| Library acquisitions   | 7,353                  | (7,353) d      | -              | 7,916           | (7,916) d        | -              |
| Supplies and expenses  | 27,951                 | 5,333 d        | 33,284         | 69,736          | (2,931) d&k      | 66,805         |
| Equipment additions and replacements                         | 5,186                  | (5,186) d      | -              | 21,378          | (21,378) d       | -              |
| Equipment rental and maintenance                             | 3,111                  |                | 3,111          | 5,712           | (2,415) d        | 3,297          |
| Utilities  | 6,356                  |                | 6,356          | 8,800           | (57) d           | 8,743          |
| Scholarships, fellowships and bursaries                      | 13,931                 |                | 13,931         | 32,484          |                  | 32,484         |
| Cost of goods sold   | -                      |                | -              | 15,167          |                  | 15,167         |
| Debt service/interest  | 1,185                  | 129 f          | 1,314          | 3,613           | 537 f            | 4,150          |
| Construction and renovation contracts                        | 400                    | (400) d        | -              | 22,960          | (22,960) d       | -              |
| Internal cost allocations                                    | (6,716)                |                | (6,716)        | -               |                  | -              |
| Renovations  | -                      | 294 d          | 294            | -               | 516 d            | 516            |
| Depreciation   | -                      | 9,722 d        | 9,722          | -               | 48,913 d         | 48,913         |
| Loss on repayment of debt                                    | -                      |                | -              | -               | 4,631 k          | 4,631          |
|  | <u>304,815</u>         | <u>1,520</u>   | <u>306,335</u> | <u>499,872</u>  | <u>(9,475)</u>   | <u>495,028</u> |
| Excess (deficiency) of revenue over expense                  | 15,639                 | (1,507)        | 14,132         | (3,346)         | 19,070           | 11,093         |
| <b>TRANSFERS AND APPROPRIATIONS</b>                          |                        |                |                |                 |                  |                |
| Depreciation on assets acquired with unrestricted net assets | -                      | 9,722 e        | 9,722          | -               | 18,573 e         | 18,573         |
| Other transfers to investment in capital assets              | -                      | (7,110) e      | (7,110)        | -               | (16,730) e       | (16,730)       |
| Appropriations/Internally restricted funds, net              | (5,473)                | (1,019) g      | (6,492)        | (10,608)        | (1,142) g        | (11,750)       |
| Interfund transfers  | (10,166)               | (202) j        | (10,368)       | (8,323)         | 8,323 i&j        | -              |
|  | <u>-</u>               | <u>(116)</u>   | <u>(116)</u>   | <u>(22,277)</u> | <u>28,094</u>    | <u>1,186</u>   |
| NET INCREASE (DECREASE) DURING YEAR                          | <u>-</u>               | <u>(3,315)</u> | <u>(3,315)</u> | <u>117,406</u>  | <u>(104,062)</u> | <u>13,344</u>  |
| FUND BALANCES AT BEGINNING OF YEAR                           | <u>-</u>               | <u>(3,431)</u> | <u>(3,431)</u> | <u>95,129</u>   | <u>(75,968)</u>  | <u>14,530</u>  |
| FUND BALANCES AT END OF YEAR                                 | <u>-</u>               | <u>(3,431)</u> | <u>(3,431)</u> | <u>95,129</u>   | <u>(75,968)</u>  | <u>14,530</u>  |

(see next page for explanation of adjustments)

**University of Victoria**  
**Reconciliation Between Unaudited Fund Accounting Schedules and the Audited Deferral Method Financial Statements**  
For the Year ended March 31, 2012

**Explanation of Adjustments**

- a Remove from revenue government grants and other revenues received for restricted purposes such as the academic building contributions and renovation grants and sponsored research grants. These are recorded as deferred contribution liabilities to be amortized into income as spent or as capital assets depreciated under deferral accounting (Note 2(d) page 16).
- b Restricted grants for acquiring capital assets are recognized as amortization of deferred capital contribution revenue in the same yearly amount as the depreciation on the capital assets is recorded as an expense.
- c Under fund accounting, pension contributions and the amount of vacation pay paid in the year are recorded as expenditures. In the audited statements, pension costs and vacation pay are expensed as entitlements are earned. In addition, the excess liability related to an employee long-term disability plan beyond the amount of the funded reserve is also expensed in the audited statements.
- d Costs associated with library acquisitions, equipment additions and replacements, construction and renovation contracts, and property acquisitions are removed from expenditures for the year. Depreciation is recorded for capital assets other than land, works of art and special library collections which do not depreciate. In the General Operating Fund, the amount of annual depreciation, less the amortization of deferred capital contributions in 'b' above, will normally approximate the budgets for library acquisitions and equipment additions/replacements.
- e Represents the spending of current year unrestricted revenue and prior year appropriations for equipment replacement to acquire capital assets, less the depreciation expense for the current year.
- f Remove from expense the principal portion of debt repayment since unlike in fund accounting neither the receipt of a loan nor its repayment are recorded as revenue and expense in the year. Interest for the year and any government grants to fund it are recorded as expenses and revenues respectively under both fund and deferral accounting.
- g Represents a reduction of internally restricted net assets corresponding to the additional expense recorded in the audited statements for vacation pay, pension expense and long-term disability, as per "c" above.
- h Represents the adjustment for the annual change in tuition revenue related to the following fiscal period recorded in deferral accounting but not fund accounting.
- i Transfer to endowment principal as recorded under fund accounting but reported a direct increase to endowment net assets under deferral.
- j. Transfer funding to match future depreciation from the capitalization of construction and renovation contracts.
- k. Reclassification to loss on repayment of debt.



(Prepared without audit)

**UNIVERSITY OF VICTORIA**  
**BALANCE SHEET**

As at March 31, 2012 (in thousands of dollars)

|  | 2012             | 2011             |
|--|------------------|------------------|
| <b>ASSETS</b>                              |                  |                  |
| Cash and temporary investments             | 98,983           | 80,116           |
| Accounts receivable                        | 52,432           | 85,265           |
| Prepaid expenses                           | 15,062           | 11,998           |
| Inventories                                | 3,301            | 3,342            |
| Long-term investments                      | 99,702           | 89,869           |
| Endowment investments                      | 302,757          | 302,106          |
| (2012 cost \$275,077; 2011 cost \$269,569) |                  |                  |
| <b>PLANT ASSETS</b>                        |                  |                  |
| Land and site improvements                 | 53,500           | 51,661           |
| Buildings                                  | 611,265          | 588,319          |
| Equipment and furnishings                  | 268,788          | 260,662          |
| Library holdings                           | 116,475          | 113,405          |
|  | <u>1,622,265</u> | <u>1,586,743</u> |
| <b>LIABILITIES</b>                         |                  |                  |
| Accounts payable and accrued liabilities   | 34,018           | 31,269           |
| Deferred revenue                           | 6,990            | 6,539            |
| Long-term debt                             | 49,519           | 60,495           |
| Employee future benefits                   | 13,965           | 12,432           |
| <b>FUND BALANCES</b>                       |                  |                  |
| Expendable funds                           |                  |                  |
| Appropriated (Schedule 2)                  |                  |                  |
| General Operating                          | 120,500          | 115,027          |
| Ancillary Enterprises                      | 15,136           | 15,508           |
| Capital Fund                               | (23,086)         | (28,593)         |
| Unappropriated (Schedule 3)                |                  |                  |
| General Operating                          | -                | -                |
| Ancillary Enterprises                      | 6,043            | 4,440            |
| Specific Purposes                          | 20,874           | 35,009           |
| Sponsored Research                         | 53,373           | 62,381           |
| Capital                                    | 14,839           | 15,576           |
| Non-expendable funds (Schedule 4)          |                  |                  |
| Student Loan                               | 73               | 73               |
| Endowment Principal                        | 293,388          | 276,491          |
| <b>EQUITY IN PLANT ASSETS (Schedule 5)</b> | <u>1,016,633</u> | <u>980,096</u>   |
|  | <u>1,622,265</u> | <u>1,586,743</u> |

**UNIVERSITY OF VICTORIA**  
**SCHEDULE OF CHANGES IN APPROPRIATED EXPENDABLE FUNDS**

FUND ACCOUNTING -SCHEDULE 2

(Prepared without audit)

Year ended March 31, 2012 (in thousands of dollars)

|   | Balance<br>at beginning<br>of year | Released<br>to meet<br>expenditures | Additions<br>during<br>year | Balance<br>at end<br>of year |
|---|------------------------------------|-------------------------------------|-----------------------------|------------------------------|
| <b>GENERAL OPERATING FUND</b>                               |                                    |                                     |                             |                              |
| Equipment replacement and capital improvements              |                                    |                                     |                             |                              |
| Athletics & Recreation                                      | 135                                |                                     | 103                         | 238                          |
| Canada Foundation for Innovation (CFI) Reserve              | 799                                |                                     | 20                          | 819                          |
| Chapel  | 144                                |                                     | 4                           | 148                          |
| Coin-operated photocopiers                                  | 57                                 |                                     | 2                           | 59                           |
| Computing - general   | 1,916                              | 226                                 | 471                         | 2,161                        |
| Computing User Services micro lab                           | 520                                | 199                                 | 128                         | 449                          |
| Departmental equipment                                      | 5,499                              | 370                                 | 355                         | 5,484                        |
| Furniture and carpets                                       | 163                                |                                     | 4                           | 167                          |
| Graphics Centre   | 138                                | 81                                  | 46                          | 103                          |
| Instructional Tech services                                 | 324                                |                                     | 46                          | 370                          |
| Locker/towel services                                       | 99                                 | 20                                  | 2                           | 81                           |
| Mechanical equipment  | 1,569                              |                                     | 39                          | 1,608                        |
| Motor vehicles  | 832                                | 591                                 | 6                           | 247                          |
| NETS services   | 2,695                              | 246                                 | 482                         | 2,931                        |
| Photocopy services  | 1,357                              |                                     | 34                          | 1,391                        |
| Physical Education, Athletics & Recreation Facility (PEARF) | 709                                | 50                                  | 253                         | 912                          |
| Printing and duplicating services                           | 2,332                              | 106                                 | 58                          | 2,284                        |
| Rental properties   | 2,847                              | 256                                 | 70                          | 2,661                        |
| Stadium   | 31                                 |                                     | 1                           | 32                           |
| UVIC On Line  | 116                                |                                     | 21                          | 137                          |
| Vehicle Fleet   | -                                  |                                     | 606                         | 606                          |
| Capital Projects  | 13,223                             | 7,860                               | 8,534                       | 13,897                       |
| Continuing Studies building                                 | 100                                |                                     |                             | 100                          |
| Non-recurring expenditures financed from budgetary savings  | 75,929                             | 10,002                              | 14,096                      | 80,023                       |
| Library prepaid expenses                                    | 2,211                              | 2,211                               | 2,310                       | 2,310                        |
| Uninsured property losses                                   | 1,282                              |                                     |                             | 1,282                        |
|   | <u>115,027</u>                     | <u>22,218</u>                       | <u>27,691</u>               | <u>120,500</u>               |
| <b>ANCILLARY ENTERPRISES FUND</b>                           |                                    |                                     |                             |                              |
| Equipment replacement and capital improvements              |                                    |                                     |                             |                              |
| Bookstore   | 4,764                              | 2,480                               | 540                         | 2,824                        |
| Food services   | 2,379                              | 374                                 | 350                         | 2,355                        |
| Student residences  | 320                                |                                     | 635                         | 955                          |
| Parking services  | 7,666                              | 709                                 | 1,515                       | 8,472                        |
| Heritage Realty Properties                                  | 379                                |                                     | 151                         | 530                          |
|   | <u>15,508</u>                      | <u>3,563</u>                        | <u>3,191</u>                | <u>15,136</u>                |
| <b>CAPITAL FUND</b>   |                                    |                                     |                             |                              |
| Plant Assets funded to/from Appropriations                  |                                    |                                     |                             |                              |
| Business & Economics Building                               | (6,248)                            | 77                                  |                             | (6,325)                      |
| Others  | (22,345)                           | 616                                 | 6,200                       | (16,761)                     |
|   | <u>(28,593)</u>                    | <u>693</u>                          | <u>6,200</u>                | <u>(23,086)</u>              |
| <b>TOTAL APPROPRIATED EXPENDABLE FUNDS</b>                  | <u>101,942</u>                     | <u>26,474</u>                       | <u>37,082</u>               | <u>112,550</u>               |
| <b>2011 COMPARATIVE</b>                                     | <u>104,650</u>                     | <u>39,538</u>                       | <u>36,830</u>               | <u>101,942</u>               |

**UNIVERSITY OF VICTORIA**  
**SCHEDULE OF CHANGES IN UNAPPROPRIATED EXPENDABLE FUNDS**

FUND ACCOUNTING -SCHEDULE 3

Year ended March 31, 2012 (in thousands of dollars)

(Prepared without audit)

|  | General<br>Operating | Ancillary<br>Operations | Specific<br>Purpose | Sponsored<br>Research | Capital       | Total<br>2012   | Total<br>2011  |
|--|----------------------|-------------------------|---------------------|-----------------------|---------------|-----------------|----------------|
| <b>REVENUE AND OTHER ADDITIONS</b>           |                      |                         |                     |                       |               |                 |                |
| Government grants and contracts-provincial   | 176,803              | 1,602                   | 807                 | 19,180                | 983           | 199,375         | 209,799        |
| -federal                                     | 6,267                |                         | 812                 | 57,239                |               | 64,318          | 84,894         |
| -other                                       | 5,494                |                         | 47                  | 9,625                 |               | 15,166          | 17,818         |
| Student fees-credit courses                  | 97,920               |                         |                     |                       |               | 97,920          | 93,955         |
| - non credit courses                         | 9,857                |                         | 1,831               |                       |               | 11,688          | 12,655         |
| - other                                      | 6,570                |                         | 31                  |                       |               | 6,601           | 6,258          |
| Gifts, grants and bequests                   | 1,750                | 18                      | 5,776               | 6,730                 | 827           | 15,101          | 13,966         |
| Sales of services and products               | 7,848                | 46,446                  | 2,635               | 3,484                 | 496           | 60,909          | 59,412         |
| Investment income                            | 5,061                | 1,520                   | 10,040              |                       | 1,935         | 18,556          | 33,176         |
| Equity in earnings of long term investments  |                      | 474                     |                     | 53                    |               | 527             | 240            |
| Other revenue                                | 2,884                | 1,370                   | 935                 | 475                   | 701           | 6,365           | 6,271          |
|  | <u>320,454</u>       | <u>51,430</u>           | <u>22,914</u>       | <u>96,786</u>         | <u>4,942</u>  | <u>496,526</u>  | <u>538,444</u> |
| <b>EXPENDITURE AND OTHER DEDUCTIONS</b>      |                      |                         |                     |                       |               |                 |                |
| Salaries - academic                          | 91,304               |                         | 1,866               | 5,986                 |               | 99,156          | 96,989         |
| - other instruction and research             | 14,868               |                         | 1,902               | 21,127                |               | 37,897          | 36,580         |
| - support staff                              | 96,216               | 13,822                  | 1,042               | 5,390                 | 23            | 116,493         | 112,813        |
| Total salaries                               | <u>202,388</u>       | <u>13,822</u>           | <u>4,810</u>        | <u>32,503</u>         | <u>23</u>     | <u>253,546</u>  | <u>246,382</u> |
| Employee benefits                            | 38,276               | 2,991                   | 1,160               | 3,736                 | 2             | 46,165          | 41,172         |
| Travel                                       | 5,394                | 83                      | 1,461               | 5,450                 | 7             | 12,395          | 12,653         |
| Library acquisitions                         | 7,353                |                         | 563                 |                       |               | 7,916           | 8,047          |
| Supplies and expenses                        | 27,951               | 4,052                   | 8,703               | 21,420                | 7,610         | 69,736          | 73,370         |
| Equipment additions and replacements         | 5,186                | 289                     | 275                 | 15,317                | 311           | 21,378          | 17,855         |
| Equipment rental and maintenance             | 3,111                | 150                     | 36                  | 2,409                 | 6             | 5,712           | 4,509          |
| Utilities                                    | 6,356                | 2,304                   | 4                   | 79                    | 57            | 8,800           | 8,189          |
| Scholarships, fellowships and bursaries      | 13,931               |                         | 5,489               | 13,064                |               | 32,484          | 30,918         |
| Cost of goods sold                           |                      | 15,167                  |                     |                       |               | 15,167          | 15,657         |
| Debt service                                 | 1,185                | 1,775                   |                     |                       | 653           | 3,613           | 8,798          |
| Construction and renovation contracts        | 400                  | 825                     | 6                   | 12,525                | 9,204         | 22,960          | 43,339         |
| Property Acquisitions                        |                      |                         |                     |                       |               | -               | 10,664         |
| Internal cost allocations                    | (6,716)              | 4,125                   | 599                 | 3,311                 | (1,319)       | -               | -              |
|  | <u>304,815</u>       | <u>45,583</u>           | <u>23,106</u>       | <u>109,814</u>        | <u>16,554</u> | <u>499,872</u>  | <u>521,553</u> |
| <b>TRANSFERS AND APPROPRIATIONS</b>          |                      |                         |                     |                       |               |                 |                |
| Inter-fund transfers                         | (10,166)             | (4,616)                 | (13,943)            | 4,020                 | 16,382        | (8,323)         | (5,256)        |
| Appropriations released to meet expenditures | 22,218               | 3,563                   |                     |                       | 693           | 26,474          | 39,538         |
| New appropriations                           | (27,691)             | (3,191)                 |                     |                       | (6,200)       | (37,082)        | (36,830)       |
|  | <u>(15,639)</u>      | <u>(4,244)</u>          | <u>(13,943)</u>     | <u>4,020</u>          | <u>10,875</u> | <u>(18,931)</u> | <u>(2,548)</u> |
| NET INCREASE (DECREASE) DURING YEAR          | -                    | 1,603                   | (14,135)            | (9,008)               | (737)         | (22,277)        | 14,343         |
| FUND BALANCES AT BEGINNING OF YEAR           | -                    | 4,440                   | 35,009              | 62,381                | 15,576        | 117,406         | 103,063        |
| FUND BALANCES AT END OF YEAR                 | -                    | 6,043                   | 20,874              | 53,373                | 14,839        | 95,129          | 117,406        |

(Prepared without audit)

**UNIVERSITY OF VICTORIA**  
**SCHEDULE OF CHANGES IN NON-EXPENDABLE STUDENT LOAN**  
**AND ENDOWMENT PRINCIPAL FUNDS**

Year ended March 31, 2012 (in thousands of dollars)

|  | Student<br>Loan | Endowment<br>Principal | Total<br>2012 | Total<br>2011 |
|--|-----------------|------------------------|---------------|---------------|
| <b>ADDITIONS</b>                           |                 |                        |               |               |
| Gifts, grants and bequests                 |                 | 8,573                  | 8,573         | 18,956        |
| Unrealized loss on investments             |                 | 1                      | 1             | (19)          |
|  | -               | 8,574                  | 8,574         | 18,937        |
| <b>DEDUCTIONS</b>                          |                 |                        |               |               |
| Bad Loans                                  |                 |                        | -             | -             |
| <b>TRANSFER FROM SPECIFIC PURPOSE FUND</b> |                 |                        |               |               |
|  |                 | 8,323                  | 8,323         | 5,256         |
| <b>NET INCREASE DURING YEAR</b>            | -               | 16,897                 | 16,897        | 24,193        |
| <b>FUND BALANCES AT BEGINNING OF YEAR</b>  | 73              | 276,491                | 276,564       | 252,371       |
| <b>FUND BALANCES AT END OF YEAR</b>        | 73              | 293,388                | 293,461       | 276,564       |

**UNIVERSITY OF VICTORIA**  
**SCHEDULE OF CHANGES IN EQUITY IN PLANT ASSETS**  
Year ended March 31, 2012 (in thousands of dollars)

|   | 2012             | 2011           |
|---|------------------|----------------|
| <hr/>   |                  |                |
| ADDITIONS   |                  |                |
| Additions to plant assets                               | 53,156           | 88,309         |
| Repayment of capital borrowing from:                    |                  |                |
| Ancillary enterprise operations                         | 602              | 629            |
| Capital fund  | (46)             | 4,708          |
|   | <u>53,712</u>    | <u>93,646</u>  |
| <hr/>   |                  |                |
| DEDUCTIONS  |                  |                |
| Borrowing for capital purposes                          |                  |                |
| Cost of properties sold                                 |                  |                |
| Equipment, furnishings and library holdings written off | 17,175           | 16,310         |
|   | <u>17,175</u>    | <u>16,310</u>  |
| <hr/>   |                  |                |
| NET INCREASE DURING YEAR                                | 36,537           | 77,336         |
| FUND BALANCES AT BEGINNING OF YEAR                      | 980,096          | 902,760        |
| EQUITY AT END OF YEAR                                   | <u>1,016,633</u> | <u>980,096</u> |

(Prepared without audit)

**UNIVERSITY OF VICTORIA**  
**CHANGES IN GENERAL OPERATING FUND**  
Year ended March 31, 2012 (in thousands of dollars)

|  | 2012     | 2011     |
|--|----------|----------|
| <b>REVENUE</b>                               |          |          |
| Government grants and contracts -provincial  | 176,803  | 177,681  |
| -federal                                     | 6,267    | 6,083    |
| -other                                       | 5,494    | 5,967    |
| Student fees-credit courses                  | 97,920   | 93,955   |
| -non credit courses                          | 9,857    | 11,150   |
| -other                                       | 6,570    | 6,242    |
| Gifts, grants and bequests                   | 1,750    | 1,102    |
| Sales of services & products                 | 7,848    | 7,855    |
| Investment income                            | 5,061    | 3,794    |
| Other revenue                                | 2,884    | 2,695    |
|  | 320,454  | 316,524  |
| <b>EXPENDITURE</b>                           |          |          |
| Salaries - academic                          | 91,304   | 89,564   |
| - other instruction and research             | 14,868   | 15,360   |
| - support staff                              | 96,216   | 93,053   |
| Total salaries                               | 202,388  | 197,977  |
| Employee benefits                            | 38,276   | 34,333   |
| Travel                                       | 5,394    | 5,713    |
| Library acquisitions                         | 7,353    | 7,654    |
| Supplies and expenses                        | 27,951   | 30,371   |
| Equipment additions and replacements         | 5,186    | 5,705    |
| Equipment rental and maintenance             | 3,111    | 2,979    |
| Utilities                                    | 6,356    | 5,942    |
| Scholarships, fellowships and bursaries      | 13,931   | 13,854   |
| Debt service                                 | 1,185    | 1,204    |
| Construction and renovation contracts        | 400      | 602      |
| Internal cost allocations                    | (6,716)  | (6,867)  |
|  | 304,815  | 299,467  |
| <b>TRANSFERS AND APPROPRIATIONS</b>          |          |          |
| Inter-fund transfers                         | (10,166) | (12,226) |
| Appropriations released to meet expenditures | 22,218   | 23,827   |
| New appropriations                           | (27,691) | (28,658) |
|  | (15,639) | (17,057) |
| <br>   |          |          |
| NET INCREASE (DECREASE) DURING YEAR          | -        | -        |
| <br>   |          |          |
| FUND BALANCE AT BEGINNING OF YEAR            | -        | -        |
| <br>   |          |          |
| FUND BALANCE AT END OF YEAR                  | -        | -        |

(Prepared without audit)

## UNIVERSITY OF VICTORIA

## CHANGES IN ANCILLARY ENTERPRISES FUND

Year ended March 31, 2012 (in thousands of dollars)

|  | Off-Campus Business Enterprises |                  |                       |                     |               |                                    |                    |                                  |   | Total<br>2012  | Total<br>2011  |
|--|---------------------------------|------------------|-----------------------|---------------------|---------------|------------------------------------|--------------------|----------------------------------|---|----------------|----------------|
|  | (1)<br>Bookstore<br>& Shop      | Food<br>Services | Student<br>Residences | Parking<br>Services | Child<br>Care | UVic Broad<br>Street<br>Properties | UVic<br>Properties | Heritage<br>Realty<br>Properties | Van. Island<br>Technology<br>Park Trust |                |                |
| <b>REVENUE</b>                               |                                 |                  |                       |                     |               |                                    |                    |                                  |   |                |                |
| Sales of services and products               | 13,565                          | 14,218           | 12,372                | 3,947               | 858           | 904                                | 582                |                                  |   | 46,446         | 46,697         |
| Government grants - provincial               | 166                             | 580              | 50                    | 32                  | 774           |                                    |                    |                                  |   | 1,602          | 1,657          |
| Gifts, grants and bequests                   |                                 |                  |                       |                     | 18            |                                    |                    |                                  |   | 18             | 76             |
| Investment income                            | 113                             | 59               | 8                     | 190                 |               | 1,106                              |                    |                                  | 44                                      | 1,520          | 957            |
| Equity in earnings of long term investments  |                                 |                  |                       |                     |               |                                    |                    | 304                              | 170                                     | 474            | 9              |
| Other revenue                                | 470                             | 117              | 21                    | 12                  | 15            | 4                                  |                    |                                  | 731                                     | 1,370          | 1,001          |
|  | <u>14,314</u>                   | <u>14,974</u>    | <u>12,451</u>         | <u>4,181</u>        | <u>1,665</u>  | <u>2,014</u>                       | <u>582</u>         | <u>304</u>                       | <u>945</u>                              | <u>51,430</u>  | <u>50,397</u>  |
| <b>EXPENDITURE</b>                           |                                 |                  |                       |                     |               |                                    |                    |                                  |   |                |                |
| Salaries-support staff                       | 2,301                           | 5,320            | 3,246                 | 1,173               | 1,255         |                                    | 527                |                                  |   | 13,822         | 13,669         |
| Employee benefits                            | 485                             | 1,241            | 572                   | 286                 | 297           |                                    | 110                |                                  |   | 2,991          | 2,795          |
| Travel                                       | 21                              | 18               | 33                    | 5                   | 6             |                                    |                    |                                  |   | 83             | 56             |
| Supplies and expenses                        | 367                             | 891              | 1,367                 | 1,026               | 64            | 324                                | 13                 |                                  |   | 4,052          | 3,971          |
| Equipment additions and replacements         | 18                              | 189              | 51                    | 28                  | 2             | 1                                  |                    |                                  |   | 289            | 589            |
| Equipment rental and maintenance             | 12                              | 52               | 44                    | 40                  | 2             |                                    |                    |                                  |   | 150            | 210            |
| Utilities                                    | 114                             | 591              | 1,492                 | 26                  | 33            | 48                                 |                    |                                  |   | 2,304          | 2,155          |
| Cost of goods sold                           | 9,693                           | 5,474            | -                     |                     |               |                                    |                    |                                  |   | 15,167         | 15,657         |
| Debt service                                 |                                 |                  | 1,775                 |                     |               |                                    |                    |                                  |   | 1,775          | 2,166          |
| Renovation contracts                         | 20                              | 413              | 389                   | 3                   |               |                                    |                    |                                  |   | 825            | 816            |
| Internal cost allocations                    | 797                             | 416              | 2,826                 | 79                  | 7             |                                    |                    |                                  |   | 4,125          | 4,109          |
|  | <u>13,828</u>                   | <u>14,605</u>    | <u>11,795</u>         | <u>2,666</u>        | <u>1,666</u>  | <u>373</u>                         | <u>650</u>         | <u>-</u>                         | <u>-</u>                                | <u>45,583</u>  | <u>46,193</u>  |
| <b>TRANSFERS AND APPROPRIATIONS</b>          |                                 |                  |                       |                     |               |                                    |                    |                                  |   |                |                |
| Inter-fund transfers                         | (2,420)                         | (393)            | (18)                  | (709)               |               | (560)                              | 68                 |                                  | (584)                                   | (4,616)        | (10,048)       |
| Appropriations released to meet expenditures | 2,479                           | 375              |                       | 709                 |               |                                    |                    |                                  |   | 3,563          | 9,909          |
| New appropriations                           | (540)                           | (350)            | (635)                 | (1,515)             |               | (151)                              |                    |                                  |   | (3,191)        | (3,024)        |
|  | <u>(481)</u>                    | <u>(368)</u>     | <u>(653)</u>          | <u>(1,515)</u>      | <u>-</u>      | <u>(711)</u>                       | <u>68</u>          | <u>-</u>                         | <u>(584)</u>                            | <u>(4,244)</u> | <u>(3,163)</u> |
| <b>NET INCREASE (DECREASE) DURING YEAR</b>   | 5                               | 1                | 3                     | -                   | (1)           | 930                                | -                  | 304                              | 361                                     | 1,603          | 1,041          |
| <b>FUND BALANCE AT BEGINNING OF YEAR</b>     | 192                             | 157              | 191                   | 152                 | (68)          | 1,162                              | (9)                | (524)                            | 3,187                                   | 4,440          | 3,399          |
| <b>FUND BALANCE AT END OF YEAR</b>           | <u>197</u>                      | <u>158</u>       | <u>194</u>            | <u>152</u>          | <u>(69)</u>   | <u>2,092</u>                       | <u>(9)</u>         | <u>(220)</u>                     | <u>3,548</u>                            | <u>6,043</u>   | <u>4,440</u>   |

(1) Revenues are for external sales to faculty, staff and students and do not include \$1,296,000 (2011-\$1,261,000) of internal sales through the Computer Store to University Departments. Of the internal cost recovery net of expenses, \$144,000 (2011 - \$119,000) represents the margin on those sales.

(Prepared without audit)

**UNIVERSITY OF VICTORIA**  
**CHANGES IN SPECIFIC PURPOSES FUND**  
Year ended March 31, 2012 (in thousands of dollars)

|   | 2012     | 2011    |
|---|----------|---------|
| <b>REVENUE</b>                              |          |         |
| Government grants and contracts -provincial | 807      | 2,233   |
| -federal                                    | 812      | 883     |
| -other                                      | 47       | 26      |
| Student fees - non credit courses           | 1,831    | 1,505   |
| - other                                     | 31       | 16      |
| Gifts, grants and bequests                  | 5,776    | 4,765   |
| Sales of services and products              | 2,635    | 2,519   |
| Investment income                           | 10,040   | 27,924  |
| Other revenue                               | 935      | 1,427   |
|   | 22,914   | 41,298  |
| <b>EXPENDITURE</b>                          |          |         |
| Salaries - academic                         | 1,866    | 1,693   |
| - other instruction and research            | 1,902    | 1,878   |
| - support staff                             | 1,042    | 882     |
| Total salaries                              | 4,810    | 4,453   |
| Employee benefits                           | 1,160    | 737     |
| Travel                                      | 1,461    | 1,344   |
| Library acquisitions                        | 563      | 393     |
| Supplies and expenses                       | 8,703    | 7,585   |
| Equipment additions and replacement         | 275      | 163     |
| Equipment rental and maintenance            | 36       | 37      |
| Utilities                                   | 4        | 1       |
| Scholarships, fellowships and bursaries     | 5,489    | 5,119   |
| Construction and renovation contracts       | 6        | 40      |
| Internal cost allocations                   | 599      | 604     |
|   | 23,106   | 20,476  |
| <b>INTER-FUND TRANSFERS</b>                 | (13,943) | (5,990) |
| NET (DECREASE) INCREASE DURING YEAR         | (14,135) | 14,832  |
| FUND BALANCE AT BEGINNING OF YEAR           | 35,009   | 20,177  |
| FUND BALANCE AT END OF YEAR                 | 20,874   | 35,009  |



(Prepared without audit)

**UNIVERSITY OF VICTORIA**  
**CHANGES IN SPONSORED RESEARCH FUND**  
Year ended March 31, 2012 (in thousands of dollars)

|   | 2012           | 2011          |
|---|----------------|---------------|
| <b>REVENUE</b>                              |                |               |
| Government grants and contracts -provincial | 19,180         | 14,894        |
| -federal                                    | 57,239         | 60,722        |
| -other                                      | 9,625          | 11,825        |
| Gifts, grants and bequests                  | 6,730          | 7,160         |
| Sales of services and products              | 3,484          | 1,912         |
| Investment income                           | -              | 47            |
| Equity in earnings of long term investments | 53             | 231           |
| Other revenue                               | 475            | 426           |
|   | <u>96,786</u>  | <u>97,217</u> |
| <b>EXPENDITURE</b>                          |                |               |
| Salaries - academic                         | 5,986          | 5,732         |
| - other instruction and research            | 21,127         | 19,342        |
| - support staff                             | 5,390          | 4,849         |
| Total salaries                              | <u>32,503</u>  | <u>29,923</u> |
| Employee benefits                           | 3,736          | 3,269         |
| Travel                                      | 5,450          | 5,539         |
| Supplies and expenses                       | 21,420         | 23,802        |
| Equipment additions and replacements        | 15,317         | 11,175        |
| Equipment rental and maintenance            | 2,409          | 1,271         |
| Utilities                                   | 79             | 36            |
| Scholarships, fellowships and bursaries     | 13,064         | 11,945        |
| Construction and renovation contracts       | 12,525         | 188           |
| Internal cost allocations                   | 3,311          | 3,097         |
|   | <u>109,814</u> | <u>90,245</u> |
| <b>INTER-FUND TRANSFERS</b>                 | 4,020          | (65)          |
| NET (DECREASE) INCREASE DURING YEAR         | (9,008)        | 6,907         |
| FUND BALANCE AT BEGINNING OF YEAR           | <u>62,381</u>  | <u>55,474</u> |
| FUND BALANCE AT END OF YEAR                 | <u>53,373</u>  | <u>62,381</u> |

(Prepared without audit)

**UNIVERSITY OF VICTORIA**  
**CHANGES IN CAPITAL FUND**

Year ended March 31, 2012 (in thousands of dollars)

|  | 2012          | 2011           |
|--|---------------|----------------|
| <b>REVENUE</b>                               |               |                |
| Government grants and contracts-provincial   | 983           | 13,334         |
| Government grants and contracts-federal      | -             | 17,206         |
| Gifts, grants and bequests                   | 827           | 863            |
| Sales of services and products               | 496           | 429            |
| Investment income                            | 1,935         | 454            |
| Other revenue                                | 701           | 722            |
|  | <u>4,942</u>  | <u>33,008</u>  |
| <b>EXPENDITURE</b>                           |               |                |
| Salaries-support staff                       | 23            | 360            |
| Employee benefits                            | 2             | 38             |
| Travel                                       | 7             | 1              |
| Supplies and expenses                        | 7,610         | 7,641          |
| Equipment additions and replacements         | 311           | 223            |
| Equipment rental and maintenance             | 6             | 12             |
| Utilities                                    | 57            | 55             |
| Debt service                                 | 653           | 5,428          |
| Construction and renovation contracts        | 9,204         | 41,693         |
| Property Acquisitions                        | -             | 10,664         |
| Internal cost allocations                    | (1,319)       | (943)          |
|  | <u>16,554</u> | <u>65,172</u>  |
| <b>TRANSFERS AND APPROPRIATIONS</b>          |               |                |
| Inter-fund transfers                         | 16,382        | 23,073         |
| Appropriations released to meet expenditures | 693           | 5,802          |
| New appropriations                           | (6,200)       | (5,148)        |
| <b>NET DECREASE DURING YEAR</b>              | <b>(737)</b>  | <b>(8,437)</b> |
| <b>FUND BALANCE AT BEGINNING OF YEAR</b>     | <b>15,576</b> | <b>24,013</b>  |
| <b>FUND BALANCE AT END OF YEAR</b>           | <b>14,839</b> | <b>15,576</b>  |

(Prepared without audit)

**UNIVERSITY OF VICTORIA**  
**GENERAL OPERATING FUND EXPENDITURES - BY FUNCTION**

Year ended March 31, 2012 (in thousands of dollars)

|                                 | Academic<br>Salary | Other<br>Salary | Support<br>Salary | Total<br>Salary | Employee<br>Benefit | Supply<br>& Other | Equipment<br>Addition | Internal<br>Allocation | Total<br>2012 | Total<br>2011 |
|---------------------------------|--------------------|-----------------|-------------------|-----------------|---------------------|-------------------|-----------------------|------------------------|---------------|---------------|
| Academic (Schedule G)           | 91,304             | 14,868          | 38,355            | 144,527         | 27,429              | 22,666            | 3,573                 | (1,901)                | 196,294       | 192,346       |
| Library (H)                     |                    |                 | 7,843             | 7,843           | 1,485               | 7,977             | 82                    | 88                     | 17,475        | 17,663        |
| Student awards and services (H) |                    |                 | 8,670             | 8,670           | 1,642               | 15,990            | 454                   | 472                    | 27,228        | 26,631        |
| Plant maintenance (H)           |                    |                 | 13,870            | 13,870          | 2,517               | 12,571            | 384                   | (2,455)                | 26,887        | 26,819        |
| Administrative and general (I)  |                    |                 | 27,478            | 27,478          | 5,203               | 6,477             | 693                   | (2,286)                | 37,565        | 36,654        |
| Overhead recoveries             |                    |                 |                   | -               |                     |                   |                       | (634)                  | (634)         | (524)         |
|                                 | 91,304             | 14,868          | 96,216            | 202,388         | 38,276              | 65,681            | 5,186                 | (6,716)                | 304,815       | 299,589       |

**UNIVERSITY OF VICTORIA**  
**GENERAL OPERATING FUND EXPENDITURES - ACADEMIC & OTHER**  
Year ended March 31, 2012 (in thousands of dollars)

|                                       | Academic<br>Salary | Other<br>Salary | Support<br>Salary | Total<br>Salary | Employee<br>Benefit | Supply<br>& Other | Equipment<br>Addition | Internal<br>Allocation | Total<br>2012 | Total<br>2011 |
|---------------------------------------|--------------------|-----------------|-------------------|-----------------|---------------------|-------------------|-----------------------|------------------------|---------------|---------------|
| <b>BUSINESS</b>                       | 4,718              | 240             | 2,062             | 7,020           |                     | 1,331             | 117                   | 215                    | 8,683         | 8,423         |
| <b>EDUCATION</b>                      | 8,361              | 460             | 1,631             | 10,452          |                     | 428               | 289                   | 313                    | 11,482        | 11,549        |
| <b>ENGINEERING</b>                    | 9,053              | 1,175           | 2,715             | 12,943          | 3                   | 1,146             | 420                   | 31                     | 14,543        | 13,686        |
| <b>FINE ARTS</b>                      | 7,259              | 1,044           | 968               | 9,271           |                     | 407               | 90                    | 93                     | 9,861         | 9,883         |
| <b>HUMAN &amp; SOCIAL DEVELOPMENT</b> | 11,791             | 200             | 3,286             | 15,277          | 1                   | 1,219             | 82                    | 20                     | 16,599        | 16,261        |
| <b>HUMANITIES</b>                     | 16,631             | 576             | 1,392             | 18,599          |                     | 558               | 85                    | 58                     | 19,300        | 18,938        |
| <b>LAW</b>                            | 3,662              | 42              | 825               | 4,529           |                     | 381               | 19                    | 110                    | 5,039         | 4,933         |
| <b>SCIENCES</b>                       | 13,051             | 4,534           | 2,742             | 20,327          | 11                  | 2,109             | 467                   | (491)                  | 22,423        | 22,395        |
| <b>SOCIAL SCIENCES</b>                | 14,586             | 1,804           | 1,729             | 18,119          | 3                   | 729               | 201                   | 137                    | 19,189        | 18,824        |
| <b>MEDICAL SCIENCES</b>               | 831                | 170             | 1,516             | 2,517           | 6                   | 3,353             | 285                   | 166                    | 6,327         | 6,169         |
| <b>COOPERATIVE EDUCATION</b>          |                    | 19              | 3,542             | 3,561           |                     | 368               | 55                    | 140                    | 4,124         | 4,253         |
| <b>SUMMER STUDIES</b>                 |                    |                 |                   | -               |                     | 2                 |                       | 1                      | 3             | 5             |
| <b>GRADUATE STUDIES</b>               | 146                | 16              | 410               | 572             |                     | 160               | 1                     | 13                     | 746           | 790           |
| <b>CONTINUING STUDIES</b>             | 473                | 3,299           | 4,675             | 8,447           | (19)                | 4,457             | 102                   | 337                    | 13,324        | 13,676        |
| <b>OTHER ACADEMIC</b>                 | 742                | 1,289           | 10,862            | 12,893          | 27,424              | 6,018             | 1,360                 | (3,044)                | 44,651        | 42,561        |
|                                       | 91,304             | 14,868          | 38,355            | 144,527         | 27,429              | 22,666            | 3,573                 | (1,901)                | 196,294       | 192,346       |

**UNIVERSITY OF VICTORIA**  
**GENERAL OPERATING FUND EXPENDITURES**  
Year ended March 31, 2012 (in thousands of dollars)

|                                      | Salaries      | Employee<br>Benefit | Supply<br>& Other | Equipment<br>Addition | Internal<br>Allocation | Total<br>2012 | Total<br>2011 |
|--------------------------------------|---------------|---------------------|-------------------|-----------------------|------------------------|---------------|---------------|
| <b>LIBRARY</b>                       |               |                     |                   |                       |                        |               |               |
| Acquisitions                         |               |                     | 6,385             |                       | 1                      | 6,386         | 6,631         |
| Operations                           | 7,843         | 1,485               | 1,592             | 82                    | 87                     | 11,089        | 11,032        |
|                                      | <u>7,843</u>  | <u>1,485</u>        | <u>7,977</u>      | <u>82</u>             | <u>88</u>              | <u>17,475</u> | <u>17,663</u> |
| <b>STUDENT AWARDS &amp; SERVICES</b> |               |                     |                   |                       |                        |               |               |
| Student Awards                       | 1,330         |                     | 12,940            |                       | 7                      | 14,277        | 14,261        |
| Student Services                     | 7,340         | 1,642               | 3,050             | 454                   | 465                    | 12,951        | 12,370        |
|                                      | <u>8,670</u>  | <u>1,642</u>        | <u>15,990</u>     | <u>454</u>            | <u>472</u>             | <u>27,228</u> | <u>26,631</u> |
| <b>PLANT MAINTENANCE</b>             |               |                     |                   |                       |                        |               |               |
| Utilities                            |               |                     | 5,626             |                       | 32                     | 5,658         | 5,647         |
| Maintenance                          | 13,870        | 2,517               | 6,945             | 384                   | (2,487)                | 21,229        | 21,172        |
|                                      | <u>13,870</u> | <u>2,517</u>        | <u>12,571</u>     | <u>384</u>            | <u>(2,455)</u>         | <u>26,887</u> | <u>26,819</u> |

**UNIVERSITY OF VICTORIA**  
**GENERAL OPERATING FUND EXPENDITURES-ADMINISTRATIVE & GENERAL**

Year ended March 31, 2012 (in thousands of dollars)

|                               | Salaries      | Employee<br>Benefit | Supply<br>& Other | Equipment<br>Addition | Internal<br>Allocation | Total<br>2012 | Total<br>2011 |
|-------------------------------|---------------|---------------------|-------------------|-----------------------|------------------------|---------------|---------------|
| Executive Offices             | 4,025         |                     | 427               | 47                    | 152                    | 4,651         | 4,414         |
| Alumni and Development        | 2,618         |                     | 293               | 5                     | 108                    | 3,024         | 3,028         |
| Administrative Registrar      | 5,488         |                     | 995               | 267                   | 384                    | 7,134         | 6,986         |
| Budget and Capital Planning   | 1,020         |                     | 145               | 5                     | 10                     | 1,180         | 1,140         |
| Financial Services            | 3,737         |                     | 109               | 19                    | 49                     | 3,914         | 3,835         |
| Human Resources               | 2,794         |                     | 527               | 10                    | (141)                  | 3,190         | 3,359         |
| CIO & Enterprise Applications | 3,408         |                     | 129               | 36                    | (92)                   | 3,481         | 3,547         |
| Other                         | 4,388         | 5,203               | 3,852             | 304                   | (2,756)                | 10,991        | 10,345        |
|                               | <u>27,478</u> | <u>5,203</u>        | <u>6,477</u>      | <u>693</u>            | <u>(2,286)</u>         | <u>37,565</u> | <u>36,654</u> |

**UNIVERSITY OF VICTORIA**  
**SPECIFIC PURPOSES FUND EXPENDITURES - BY FUNCTION**

Year ended March 31, 2012 (in thousands of dollars)

|   | Academic<br>Salary | Other<br>Salary | Support<br>Salary | Total<br>Salary | Employee<br>Benefit | Supply<br>& Other | Equipment<br>Addition | Internal<br>Allocation | Total<br>2012 | Total<br>2011 |
|---|--------------------|-----------------|-------------------|-----------------|---------------------|-------------------|-----------------------|------------------------|---------------|---------------|
| Academic programs                         | 1,484              | 1,378           | 527               | 3,389           | 407                 | 5,553             | 137                   | 166                    | 9,652         | 8,963         |
| Lansdowne endowment                       | 378                | 6               |                   | 384             |                     | 74                | 9                     | 6                      | 473           | 605           |
| Maltwood                                  |                    | 44              | 49                | 93              | 13                  | 52                | 55                    | 28                     | 241           | 124           |
| External Relations                        |                    | 4               |                   | 4               |                     | 383               | 1                     | 49                     | 437           | 322           |
| Continuing Studies                        |                    |                 |                   | -               |                     | 1                 |                       |                        | 1             | 1             |
| Library                                   |                    | 28              |                   | 28              | 2                   | 480               | 5                     |                        | 515           | 423           |
| Student awards and<br>employment programs | 4                  | 2               |                   | 6               | 1                   | 6,729             |                       | 490                    | 7,226         | 6,236         |
| Student services                          |                    | 3               | 131               | 134             | 12                  | 231               | 13                    | 5                      | 395           | 526           |
| Plant maintenance                         |                    |                 |                   | -               |                     | 7                 | 28                    | (6)                    | 29            | (8)           |
| General                                   |                    | 437             | 335               | 772             | 725                 | 2,752             | 27                    | (139)                  | 4,137         | 3,284         |
|   | 1,866              | 1,902           | 1,042             | 4,810           | 1,160               | 16,262            | 275                   | 599                    | 23,106        | 20,476        |