

BRANDON UNIVERSITY

ANNUAL FINANCIAL REPORT

For the year ended March 31, 2018



**BRANDON
UNIVERSITY**

BRANDON UNIVERSITY

Responsibility for Financial Statements

The Office of the Vice-President (Administration & Finance) of Brandon University is responsible for the preparation and presentation of the financial statements and accompanying notes. The financial statements are prepared in conformity with the accounting policies noted in the financial statements, and are reviewed and approved by the Board of Governors. The statements are examined by the Auditor General of Manitoba, whose opinion is included herein.

To fulfil its responsibility, the University maintains internal control systems to provide reasonable assurance that relevant and reliable financial information is produced.

The original document was signed by Kerry Auriat and Scott J. B. Lamont.

Kerry Auriat
Treasurer, Board of Governors

Scott J. B. Lamont, FCPA, FCGA, MBA
Vice-President (Administration & Finance)

June 23, 2018



INDEPENDENT AUDITOR'S REPORT

To the Lieutenant Governor-in-Council
To the Legislative Assembly of Manitoba
To the Board of Governors of Brandon University

We have audited the accompanying financial statements of Brandon University, which comprise the statement of financial position as at March 31, 2018, and the statements of operations, changes in net assets and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these 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 the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the 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 use and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Brandon University as at March 31, 2018, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

**Original document signed by
Norm Ricard**

June 23, 2018
Winnipeg, Manitoba

Norm Ricard, CPA, CA
Auditor General

Brandon University

Statement of Financial Position as at March 31, 2018

	2018	2017
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 5,062,126	\$ 5,682,435
Short-term investments	1,034,220	1,602,092
Accounts receivable (note 3)	1,396,873	1,252,482
Inventories (note 4)	69,114	87,481
Prepaid expenses	<u>257,054</u>	<u>295,685</u>
	<u>7,819,387</u>	<u>8,920,175</u>
Long-term investments (note 5)	<u>1,542,000</u>	<u> </u>
Capital Assets and Collections (notes 2(I) and 6)	<u>61,051,408</u>	<u>61,068,334</u>
	<u>\$ 70,412,795</u>	<u>\$ 69,988,509</u>
 LIABILITIES & NET ASSETS		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 3,826,024	\$ 3,481,237
Unearned revenue	206,543	236,760
Deferred contributions (note 9)	2,671,671	2,715,321
Current portion of long-term debt (note 10)	<u>113,533</u>	<u>105,646</u>
	<u>6,817,771</u>	<u>6,538,964</u>
Long-Term Liabilities		
Pension liability (note 11)	13,915,000	16,037,431
Post-employment benefits (note 12)	1,683,219	1,599,972
Mortgages payable (note 10)	<u>1,081,631</u>	<u>1,195,163</u>
	<u>16,679,850</u>	<u>18,832,566</u>
Unamortized Deferred Capital Contributions (note 9)	<u>47,499,382</u>	<u>48,195,443</u>
Net Assets		
Unrestricted net assets		
Operating	4,048,139	3,519,145
Post-employment benefits and compensated absences	(1,742,251)	(1,626,976)
Pension liability	(13,915,000)	(16,037,431)
Vacation pay	<u>(1,006,818)</u>	<u>(982,225)</u>
	(12,615,930)	(15,127,487)
Internally restricted net assets (note 13)	1,333,458	1,247,240
Investment in capital assets and collections	<u>10,698,264</u>	<u>10,301,783</u>
	<u>(584,208)</u>	<u>(3,578,464)</u>
	<u>\$ 70,412,795</u>	<u>\$ 69,988,509</u>

Approved by the Brandon University
Board of Governors on June 23, 2018

The original document was signed by Kerry Auriat and Scott J. B. Lamont.

Treasurer

Vice-President (Administration & Finance)

The accompanying notes are an integral part of these financial statements.

Brandon University

Statement of Changes in Net Assets for the year ended March 31, 2018

	Unrestricted Net Assets	Internally Restricted Net Assets	Investment in Capital Assets and Collections	Total 2018	Total 2017
Balance, beginning of year	\$ (15,127,487)	\$ 1,247,240	\$ 10,301,783	\$ (3,578,464)	\$ (6,673,720)
Excess of revenues over expenses	2,971,656			2,971,656	2,970,256
Direct increases to net assets					
Donations of capital assets			22,600	22,600	125,000
Transfers					
Internally funded					
Capital asset additions	(1,359,135)		1,359,135		
Capital disposals (net)	2,198		(2,198)		
Repayment of long-term debt	(105,646)		105,646		
Amortization of deferred capital contributions	(2,029,791)		2,029,791		
Less: Amortization expense	<u>3,118,493</u>		<u>(3,118,493)</u>		
Amortization	1,088,702		(1,088,702)		
Allocation to internally restricted net assets	(94,219)	94,219			
Internally restricted net asset purchases	<u>8,001</u>	<u>(8,001)</u>			
Balance, end of year	<u>\$ (12,615,930)</u>	<u>\$ 1,333,458</u>	<u>\$ 10,698,264</u>	<u>\$ (584,208)</u>	<u>\$ (3,578,464)</u>

The accompanying notes are an integral part of these financial statements.

Brandon University

Statement of Operations for the year ended March 31, 2018

	2018	2017
Revenues		
Tuition fees and other student fees	\$ 11,192,553	\$ 10,008,437
Grants		
Education & Training Division	40,046,290	40,225,266
Province of Manitoba	322,897	367,044
Government of Canada	1,892,159	1,549,379
Sales of goods and services	6,887,728	6,092,635
Brandon University Foundation	2,693,072	2,582,946
Amortization of deferred capital contributions	2,029,791	2,107,281
Gain on contribution of capital assets		186,000
Interest income	146,740	167,727
Miscellaneous	<u>1,392,441</u>	<u>1,177,455</u>
	<u>66,603,671</u>	<u>64,464,170</u>
Expenses		
Salaries - academic	25,148,621	24,287,279
Salaries - support	15,661,387	14,952,217
Benefits	5,191,703	5,660,200
Travel	1,777,147	1,723,526
Supplies and consumable expenses	7,848,389	7,679,924
Major renovations	311,227	56,763
Property taxes	114,124	109,202
Utilities	1,002,565	958,985
Cost of goods sold (note 4)	802,945	657,864
Scholarships and bursaries	2,578,013	2,098,722
Interest on long-term debt	75,203	82,870
Amortization expense	3,118,493	3,220,753
Loss on disposal of capital assets	<u>2,198</u>	<u>5,609</u>
	<u>63,632,015</u>	<u>61,493,914</u>
Excess of revenues over expenses	<u>\$ 2,971,656</u>	<u>\$ 2,970,256</u>

The accompanying notes are an integral part of these financial statements.

Brandon University

Statement of Cash Flow for the year ended March 31, 2018

	2018	2017
Cash Provided By (Used In) Operating Activities		
Net excess of revenues over expense before interest	\$ 2,900,119	\$ 2,885,399
Interest received	146,740	167,727
Interest paid	<u>(75,203)</u>	<u>(82,870)</u>
Excess of revenues over expenses	2,971,656	2,970,256
Items not affecting cash flow		
Amortization of deferred capital contributions	(2,029,791)	(2,107,281)
Amortization of capital assets	3,118,493	3,220,753
Loss on disposal of capital assets	(2,198)	(5,609)
Net change in non-cash operating working capital		
Accounts receivable	(144,391)	226,863
Accounts payable and accrued liabilities	344,787	(137,036)
Deferred contributions	(43,650)	(382,537)
Unfunded post-employment benefits and compensated absences	83,247	(30,150)
Unfunded pension liability	(2,122,431)	(2,304,569)
Other non-cash working capital	<u>19,959</u>	<u>115,777</u>
	<u>2,195,681</u>	<u>1,566,467</u>
Cash Provided By (Used In) Capital Activities		
Capital asset additions	(3,103,764)	(2,712,270)
Cash Used In Investing Activities		
Purchase of short-term investments	567,872	(102,092)
Sale/(Purchase) of long-term investments	<u>(1,542,000)</u>	<u> </u>
	<u>(974,128)</u>	<u>(102,092)</u>
Cash Provided By (Used In) Financing Activities		
Long-term debt repayments	(105,646)	(98,364)
Capital contributions	<u>1,367,548</u>	<u>1,558,975</u>
	<u>1,261,902</u>	<u>1,460,611</u>
Increase (decrease) in cash and cash equivalents	(620,309)	212,716
Cash and cash equivalents, beginning of year	<u>5,682,435</u>	<u>5,469,719</u>
Cash and cash equivalents, end of year	<u>\$ 5,062,126</u>	<u>\$ 5,682,435</u>

The accompanying notes are an integral part of these financial statements.

Brandon University

Notes to the Financial Statements for the year ended March 31, 2018

1. Authority and Purpose

Brandon University operates under the authority of the Brandon University Act of the Province of Manitoba. Brandon University offers undergraduate programs in arts, science, education, music, and health studies; and offers graduate programs in education, music, health studies, environmental & life sciences and rural development. The University is a registered charity and is exempt from the payment of income taxes.

2. Summary of Significant Accounting Policies and Reporting Practices

A. General

Brandon University's financial statements have been prepared in accordance with Canadian public sector accounting standards (PSAS) for government not-for-profit organizations (GNFPOs), including the 4200 series of standards as issued by the Public Sector Accounting Board.

B. Net Assets

Unrestricted net assets have been shown on the statement of financial position broken down into the following categories:

Post-employment benefits and compensated absences - representing the amount of net assets that would be required to cover this liability at its balance on March 31.

Pension liability - representing the amount of net assets that would be required to cover this liability at its balance on March 31.

Vacation Pay - representing the amount of net assets that would be required to cover this liability at its balance on March 31.

Operating – representing the unrestricted net assets of the University including general operations, Ancillary Services, research and special projects and capital activities, less the amounts required to cover the above three future employee benefits.

Internally restricted net assets represent net assets allocated for specified purposes. The revenues and expenses related to the internally restricted net assets are reported in the statement of operations and any allocation to or from the internally restricted net assets from unrestricted net assets are recorded as a transfer in the statement of changes in net assets.

Investment in capital assets represents the net assets that Brandon University has in its capital assets and collections net of any associated liabilities related to capital assets and deferred capital contributions related to capital assets. The revenues and expenses related to the investment in capital assets and collections are reported in the statement of operations and any allocation to or from the investment in capital assets and collections from unrestricted net assets are recorded as a transfer in the statement of changes in net assets.

Brandon University

Notes to the Financial Statements for the year ended March 31, 2018

C. Revenue Recognition

Operating grants are recognized as revenue in the period received or receivable. Revenues received for the provision of goods and services are recognized in the period in which the goods are provided or the services rendered or substantially rendered and collection is reasonably assured.

The University accounts for contributions using the deferral method. Externally restricted non-capital contributions are recorded as deferred contributions when received or receivable and are recognized as revenue in the period in which the related expenses are incurred. Externally restricted amounts can only be used for the purposes designated by external parties.

Externally restricted contributions for the acquisition of capital assets having limited lives are recorded as deferred capital contributions in the period in which they are received or receivable, and, when expended, are transferred to unamortized deferred capital contributions. Unamortized deferred capital contributions are recognized as earned revenue in the periods in which the related amortization expense of the funded capital asset is recorded.

D. Capital Grants

The University entered into promissory notes with the Provincial Government, for the construction of capital assets and for deferred maintenance projects. These will be repaid from future funding provided by the Provincial Government through the Education & Training Division, and are, in substance, capital grants. These grants, under the deferral method of accounting, are reflected as deferred capital contributions and unamortized deferred capital contributions in the statement of financial position. The interest expense and related funding from Education & Training, over the terms of the promissory notes, to offset the principal payments and interest expense, are both excluded from the statement of operations.

E. Cash & Cash Equivalents

Cash and cash equivalents include cash on hand, cash balances with Canadian banks and highly liquid temporary money market instruments convertible to cash within three months or less.

F. Short-Term Investments

Short-term investments are recorded at amortized cost and are unspent operating, capital and restricted funds that are invested to generate income used to fund general operations of the University. These investments are acquired principally for the purpose of selling in the near term and are part of a portfolio of identified instruments that are managed together and for which there is evidence of a recent pattern of short-term profit taking.

G. Long-Term Investments

Long-term investments are fixed income financial instruments, with maturity dates that exceed one year, that are part of a portfolio of identified instruments that are managed together. They are recorded at amortized cost and are unspent operating, capital and restricted funds that are invested to generate income used to fund general operations of the University.

Brandon University

Notes to the Financial Statements for the year ended March 31, 2018

H. Brandon University Foundation

Contributions from the Brandon University Foundation to the University are recorded as revenue in accordance with the University's revenue recognition accounting policy.

The accounts of the Brandon University Foundation do not form part of the financial statements of the University. The financial statements of the Foundation are audited on an annual basis.

I. Capital Assets and Collections

Capital assets purchased by the University are recorded at cost. Donated assets are recorded at the fair market value on the date received. On the disposition of a capital asset, both the cost and any accumulated amortization are removed from the accounts.

Capital assets are amortized on a straight line basis over the estimated useful lives of the assets. Amortization rates are as follows:

Buildings	50 years
Furniture & equipment	10 years
Library collections	10 years
Computer equipment	5 years
Vehicles	5 years

The capital assets include collections of works of art, gemstones and rare books which have been donated to the University. These collections are not amortized.

J. Inventories

Inventories are measured at the lower of cost and net realizable value using a valuation allowance.

K. Pension Plan

The University contributes to the Brandon University Retirement Plan which is a trustee-administered pension plan for University employees. The pension expense is determined actuarially using the projected unit credit actuarial cost method pro-rated on service and management's best estimates of investment performance, salary escalation, retirement ages of employees and member mortality. Actuarial gains and losses are amortized on a straight line basis over the expected average remaining service life of active employees (EARSL), commencing in the year following the year the respective annual actuarial gains or losses arise.

The accounts of the Brandon University Retirement Plan are not consolidated in the financial statements of the University. The financial statements of the Plan are audited.

The University's pension liability is the net of pension obligations less Plan assets and adjusted for any unamortized actuarial gains or losses.

Brandon University

Notes to the Financial Statements for the year ended March 31, 2018

L. Other Post-Employment Benefits and Compensated Absences

The University provides severance and retiring allowance benefits based on length of service and final earnings, payable on retirement. Accounting standards require the recognition of a liability and an expense for such post-employment benefits in the period in which the employee renders service in return for the benefits. The recognition date for rendered service begins on the hiring date or the date when credited service begins, and runs until the date when full eligibility is attained. The cost of these post-employment benefits earned by employees is determined by an actuary using the projected benefit method pro-rated on service and management's best estimates for the discount rate, the rate of salary escalation and the retirement ages of employees. The discount rate used to determine the accrued benefit obligation was the same rate as used to value the University pension plan. There are no assets supporting the plan benefits. Actuarial gains and losses are amortized on a straight line basis over the expected average remaining service life (EARSL), commencing in the year following the year the respective annual actuarial gains or losses arise.

The University provides for compensated absences to certain employee groups for sick leave benefits that accumulate but do not vest. The cost of this benefit is estimated using the discounted cash flows of the average of the cost of the excess sick leave taken over the annual entitlement earned, as a series of payments over the average remaining service life of employees (EARSL). The discount rate used was the same rate used to estimate the University pension liability.

Certain other employees are entitled to 180 days of sick leave that are non-vesting, non-accumulating and are event driven. The benefit expense and liability are recorded when the event occurs.

M. Use of Estimates

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant areas requiring the use of management estimates relate to the allowance for doubtful accounts, determination of useful lives of capital assets for amortization and of the liabilities for pension, severance and retiring allowances, and other compensated absences. Actual results could differ from these estimates.

N. Financial Instruments

The financial instruments of the University consist of cash and cash equivalents, short-term investments, long-term investments, accounts receivable, accounts payable and accrued liabilities and long-term debt.

In the Statement of Financial Position, cash and cash equivalents are measured at cost; short-term investments, long-term investments, accounts receivable, accounts payable and accrued liabilities and long-term debt at amortized cost, using the effective interest rate method.

3. Accounts Receivable

	2018	2017
Student receivables	\$ 364,659	\$ 302,046
Brandon University Foundation	534,316	460,617
Province of Manitoba	332,900	85,209
Miscellaneous	241,998	431,610
Less: allowance for doubtful accounts	<u>(77,000)</u>	<u>(27,000)</u>
	<u>\$ 1,396,873</u>	<u>\$ 1,252,482</u>

Brandon University

Notes to the Financial Statements for the year ended March 31, 2018

4. Inventories

Inventories are measured at the lower of cost and net realizable value. The year end carrying values and the amounts recognized as expense during the year were as follows:

	2018		2017	
	Cost of Sales		Carrying Values	
Athletics	\$ 80,787	\$ 58,817	\$ 13,081	\$ 20,138
Bookstore	-	(43,387)	-	-
Food Services	684,470	602,162	33,726	42,590
Print Shop	<u>37,688</u>	<u>40,272</u>	<u>22,307</u>	<u>24,753</u>
	<u>\$ 802,945</u>	<u>\$ 657,864</u>	<u>\$ 69,114</u>	<u>\$ 87,481</u>

5. Long-Term Investments

	2018	2017
Guaranteed investment certificates	\$ 1,542,000	\$ -

The University's long-term investments are interest bearing guaranteed investment certificates, maturing between June 2019 and September 2020. Interest rates range from 1.40% to 2.36% and is payable at maturity.

6. Capital Assets and Collections

	2018		2017	
	Accumulated Cost	Amortization Value	Accumulated Cost	Net Book Value
Land	\$ 2,194,411	\$ 2,194,411	\$ 1,768,081	\$ 1,768,081
Buildings	97,496,170	(47,883,340)	96,275,105	(46,123,602)
Furniture & equipment	24,510,767	(18,518,205)	23,608,887	(17,740,929)
Library collections	12,850,211	(10,956,913)	12,463,898	(10,518,813)
Collections	<u>1,358,307</u>	<u>1,358,307</u>	<u>1,335,707</u>	<u>1,335,707</u>
	<u>\$138,409,866</u>	<u>\$(77,358,458)</u>	<u>\$135,451,678</u>	<u>\$(74,383,344)</u>
		<u>\$ 61,051,408</u>		<u>\$ 61,068,334</u>

Furniture & equipment includes computer equipment and vehicles. Capital asset additions during the year included donations in kind in the amount of \$22,600 (2017 - \$125,000). Buildings include assets under construction of \$407,939 (2017 - \$449,847).

7. Financial Risk Management

Financial instruments are exposed to risk through the normal course of operations. These risks are managed through the University's collection procedures, investment guidelines and other internal policies, guidelines and procedures.

Brandon University

Notes to the Financial Statements for the year ended March 31, 2018

i) Market Risk

Market risk is the risk the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk consists of these three types of risk: interest rate risk, foreign currency risk and other price risk.

Interest rate risk is the risk fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The University is exposed to this risk through its interest bearing investments. The University's short-term investments are guaranteed investment certificates. Interest rates range from 1.05% to 1.62%. \$826,000 matures on May 17, 2018, \$1,527,275 matures on June 1, 2018 and \$1,034,220 matures on October 4, 2018. The University's long-term investments are guaranteed investment certificates. Interest rates range from 1.40% to 2.36%. \$242,000 matures on June 11, 2019, \$800,000 matures on September 25, 2019, \$300,000 matures on July 13, 2020 and \$200,000 matures on September 25, 2020.

Foreign currency risk is the risk the value of non-Canadian investments measured in Canadian dollars will fluctuate due to changes in foreign exchange rates. Brandon University has no investments held in foreign currencies.

Other price risk is the risk the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, other than those arising from interest rate risk or currency risk.

ii) Liquidity Risk

Liquidity risk is the risk the University will encounter difficulty in having available sufficient funds to meet its commitments.

The cash flow of operating funds is prepared on a just in time basis. The short-term and long-term investments of the University are invested so maturity dates coincide with cash requirements. As well, the University has access to a short-term line of credit with CIBC which is designed to ensure sufficient funds are available as required.

iii) Credit Risk

Credit risk arises from the possibility a loss may occur from the failure of another party to perform according to the terms of a contract. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk as at March 31 was:

	Carrying Amount	
	2018	2017
Cash, cash equivalents and short-term investments	\$ 6,096,346	\$ 7,284,527
Long-term investments	1,542,000	
Accounts receivable	<u>1,396,873</u>	<u>1,252,482</u>
Totals	<u>\$ 9,035,219</u>	<u>\$ 8,537,009</u>

The short-term and long-term investments of the University are purchases made with excess cash intended to be for short periods of time and are held in high quality instruments with a guaranteed credit rating of R1 or backed by an extremely strong borrower.

The credit risk from accounts receivable is relatively low as the majority of receivables are from students and the balance from government agencies. Credit risk from student receivables is managed through registration cancellations and by maintaining standard collection procedures.

There have been no substantive changes in the University's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

Brandon University

Notes to the Financial Statements for the year ended March 31, 2018

8. Brandon University Foundation

The Brandon University Foundation operates under the authority of the Brandon University Foundation Act. The Foundation is dedicated to promoting the advancement of higher education at Brandon University and improving the quality of its facilities and activities by raising funds for future operation and capital expenditures, research and student awards.

Brandon University Foundation is not a controlled entity of Brandon University however, in the event of the dissolution of the Foundation, after the payment of all debts and liabilities, any remaining rights, property and assets of the Foundation shall be transferred or assigned to Brandon University as long as it is at that time a charitable, non-profit corporation.

The Foundation statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. The Brandon University Foundation has adopted Part III - Accounting Standards for Not-For-Profit Organizations following the deferral method of accounting for contributions. The investments of the Foundation are recorded at fair value. The financial position of the Foundation as at December 31 is summarized as follows:

Statement of Financial Position

	2017	2016
Assets	\$ <u>72,233,660</u>	\$ <u>66,597,189</u>
Liabilities	\$ <u>1,504,690</u>	\$ <u>1,315,564</u>
Deferred contributions	<u>6,424,330</u>	<u>5,904,824</u>
Net Assets		
Unrestricted and internally restricted net assets	17,782,686	14,437,086
Endowment funds	<u>46,521,954</u>	<u>44,939,715</u>
	<u>64,304,640</u>	<u>59,376,801</u>
Total Liabilities and Net Assets	\$ <u>72,233,660</u>	\$ <u>66,597,189</u>

Statement of Operations

	2017	2016
Revenue		
Realized income	\$ 2,062,136	\$ 771,304
Unrealized gain	<u>3,358,471</u>	<u>2,827,957</u>
Net investment income	5,420,607	3,599,261
Donations	571,578	1,524,213
Other contributions	<u>42,863</u>	<u>247,244</u>
	<u>6,035,048</u>	<u>5,370,718</u>
Expense		
Grants to Brandon University	1,184,755	1,151,206
Scholarships and bursaries	1,447,288	1,418,428
Other expenses	<u>57,405</u>	<u>48,252</u>
	<u>2,689,448</u>	<u>2,617,886</u>
Net income for the year	\$ <u>3,345,600</u>	\$ <u>2,752,832</u>

Brandon University

Notes to the Financial Statements for the year ended March 31, 2018

The net result of the transactions from January 1, 2018 to March 31, 2018 was a loss of \$2,532,968 (2017 gain of \$3,405,257) which includes a unrealized investment loss of \$2,668,531 (2017 gain of \$2,878,217).

The value of outstanding pledges to the Foundation as at March 31, 2018 is \$75,580 (2017 - \$89,755). These will be recorded as revenue in the Foundation when received.

9. Deferred Contributions and Unamortized Deferred Capital Contributions

Deferred contributions and deferred capital contributions represent contributions received for special purposes and unspent funds for restricted purposes. Unamortized deferred capital contributions represent the funded portion of capital assets which will be recognized as revenue in future periods and matched against the applicable amortization charged in that period. As of March 31, 2018 there are no deferred capital contributions (2017 - \$0). Changes in the deferred contributions and unamortized deferred capital contributions balances are as follows:

	2018	2018	2017	2017
	Deferred	Unamortized	Deferred	Unamortized
	Contributions	Deferred	Contributions	Deferred
		Capital		Capital
		Contributions		Contributions
Balance, beginning of year	\$ 2,715,321	\$ 48,195,443	\$ 3,097,858	\$ 48,879,967
Contributions received and receivable				
Tuition and miscellaneous	2,234,964		1,510,274	
Education & Training Division	1,443,000		2,315,000	
Province of Manitoba	628,540		222,494	
Government of Canada	2,083,026		1,522,538	
Brandon University Foundation	<u>434,504</u>		<u>371,159</u>	
	6,824,034		5,941,465	
Transfers to revenue				
Tuition, grants and contributions	(5,533,954)		(4,901,245)	
Amortization of deferred capital contributions		(2,029,791)		(2,107,281)
Transferred to acquire capital assets	<u>(1,333,730)</u>	<u>1,333,730</u>	<u>(1,422,757)</u>	<u>1,422,757</u>
Balance, end of year	<u>\$ 2,671,671</u>	<u>\$ 47,499,382</u>	<u>\$ 2,715,321</u>	<u>\$ 48,195,443</u>
Balance consists of:				
Research	\$ 2,164,781		\$ 2,209,036	
Special programs	<u>506,890</u>		<u>506,285</u>	
Deferred contributions	<u>\$ 2,671,671</u>		<u>\$ 2,715,321</u>	

Brandon University

Notes to the Financial Statements for the year ended March 31, 2018

10. Long-term Liabilities

Mortgages Payable

The mortgage is a building mortgage. The building forms part of the security for the full amount of the moneys secured by the mortgage.

	2018	2017
McMaster Hall, Canada Mortgage and Housing Corporation 8 1/4% mortgage, \$66,686 combined principal and interest payable semi-annually April 1 and October 1 to 2021	\$ 446,879	\$ 537,724
215 & 223 18th Street, Province of Manitoba 4.5% mortgage, \$2,248 combined principal and interest payable monthly to June 20, 2054	481,762	486,930
1718 Princess Avenue, Province of Manitoba 4.0% mortgage, principal of \$802.78 plus interest, payable monthly to November 30, 2045	<u>266,523</u>	<u>276,155</u>
	1,195,164	1,300,809
Current portion of long-term debt	<u>113,533</u>	<u>105,646</u>
Mortgage payable	<u>\$ 1,081,631</u>	<u>\$ 1,195,163</u>
Interest expense	<u>\$ 75,203</u>	<u>\$ 82,870</u>

Principal payments in the next five years are as follows:

2019	\$ 113,532
2020	122,334
2021	131,598
2022	141,635
2023	16,102
Thereafter	<u>556,428</u>
	<u>\$ 1,081,629</u>

11. Pension Plan

The Brandon University Retirement Plan is a final average contributory defined benefit pension plan established April 1, 1974 for the benefit of the employees of Brandon University. The assets of the Plan are held in trust in the name of ten Trustees - eight elected by and from the Plan membership and two appointed by the Board of Governors. The Trustees oversee the administration of the Plan and set forth the investment guidelines. Their obligations and responsibilities are defined in a trust agreement with Brandon University. An asset manager invests the Plan assets according to the terms of an agreement with the trustees and as required by law. The Plan is registered with the Pension Commission of Manitoba and meets the requirements of the Pension Benefits Act of Manitoba and the Income Tax Act (Canada). Unless otherwise stated, all Brandon University employees are eligible to become members of the Plan on their date of employment. Full-time and certain part-time employees are required to join the Plan. Membership is optional for other part-time and certain specified employees. The Plan receives its funds from the contributions of members, the required and special contributions of Brandon University and the income from investments.

Brandon University

Notes to the Financial Statements for the year ended March 31, 2018

An actuarial valuation of the plan, as required by The Pension Benefits Act of Manitoba, was conducted by Eckler Ltd., a firm of consulting actuaries, as at December 31, 2016. The next actuarial valuation is required as at December 31, 2017 and will be completed in 2018.

The defined benefit obligation has been calculated pursuant to CPA Canada Handbook section PS3250, using the projected unit credit actuarial method, prorated on service, and assumptions developed using management's best estimates of investment performance, salary escalation, retirement ages of employees and member mortality.

The University uses a December 31 measurement date for reporting plan assets and obligations.

Net assets available for benefits are comprised of:

	(in thousands of dollars)	
	December 31 2017	December 31 2016
Accounts receivable and other	\$ 485	\$ 215
Cash and short-term investments	386	592
Bonds and debentures	64,052	67,999
Canadian equities	51,458	41,975
Foreign equities	<u>69,053</u>	<u>59,172</u>
Total net assets	<u>\$ 185,434</u>	<u>\$ 169,953</u>

The fair value of plan assets and the actuarial present value of benefits, as of December 31, were as follows:

	(in thousands of dollars)	
	December 31 2017	December 31 2016
Reconciliation of Plan Assets		
Fair value, beginning of year	\$ 169,953	\$ 159,208
Employer contributions	3,702	4,293
Employee contributions	2,323	2,313
Transfers from other plans	31	34
Benefit payments	(9,159)	(8,435)
Actual return on plan assets (net of expenses)	<u>18,584</u>	<u>12,540</u>
Fair value, end of year	<u>\$ 185,434</u>	<u>\$ 169,953</u>

	(in thousands of dollars)	
	December 31 2017	December 31 2016
Reconciliation of Accrued Benefit Obligation		
Accrued benefit obligation, beginning of year	\$ 172,581	\$ 166,128
Employer service cost	5,338	5,369
Interest cost	9,473	9,136
Benefit payments	(9,159)	(8,435)
Transfers from other plans	31	34
Actuarial (gains)/losses	<u>(662)</u>	<u>349</u>
Accrued benefit obligation, end of year	<u>\$ 177,602</u>	<u>\$ 172,581</u>

Brandon University

Notes to the Financial Statements for the year ended March 31, 2018

(in thousands of dollars)

	December 31 2017	December 31 2016
Reconciliation of Unamortized Actuarial (Gains)/Losses		
Net unamortized actuarial gains, beginning of year	\$ (14,542)	\$ (12,583)
Net actuarial gain	(9,900)	(3,405)
Amortization of actuarial loss	<u>1,691</u>	<u>1,446</u>
Net unamortized actuarial gains, end of year	<u>\$ (22,751)</u>	<u>\$ (14,542)</u>

The accrued pension liability and the net pension plan expense, as at March 31, are as follows:

(in thousands of dollars)

	March 31 2018	March 31 2017
Accrued Pension Liability		
Accrued pension liability, beginning of year	\$ (16,037)	\$ (18,342)
Employer contributions	3,573	4,265
Net pension plan expense	<u>(1,451)</u>	<u>(1,960)</u>
Accrued pension liability, end of year	<u>\$ (13,915)</u>	<u>\$ (16,037)</u>

(in thousands of dollars)

	March 31 2018	March 31 2017
Reconciliation of Surplus/(Deficit) to Accrued Liability		
Surplus/(deficit), end of year	\$ 7,832	\$ (2,628)
Net unamortized actuarial gains	(22,751)	(14,542)
Employer contribution after measurement date	<u>1,004</u>	<u>1,133</u>
Accrued pension liability, end of year	<u>\$ (13,915)</u>	<u>\$ (16,037)</u>

(in thousands of dollars)

	March 31 2018	March 31 2017
Net Pension Plan Expense		
Current service cost, net of employee contributions	\$ 3,015	\$ 3,056
Interest accrued on benefits	9,473	9,136
Expected return on plan assets	(9,346)	(8,786)
Amortization of actuarial gain	<u>(1,691)</u>	<u>(1,446)</u>
Net pension plan expense	<u>\$ 1,451</u>	<u>\$ 1,960</u>

Significant Long-term Actuarial Assumptions Used in Measurement of the Pension Expense

	2018	2017
Discount rate	5.55 %	5.55 %
Rate of salary increase	3.00 %	3.00 %
Mortality rate	CPM2014 Public Sector Table projected with Scale CPM-B	

Significant Long-term Actuarial Assumptions Used in Measurement of the End of Year Obligations

	2018	2017
Discount rate	5.55 %	5.55 %
Rate of salary increase	3.00 %	3.00 %
Mortality rate	CPM2014 Public Sector Table projected with Scale CPM-B	

Brandon University

Notes to the Financial Statements for the year ended March 31, 2018

The unamortized net actuarial gains will be amortized over the expected average remaining service life (EARSL) which is 2018 - 8.6 years (2017 - 8.6 years).

Solvency Deficiency Exemption

The Brandon University Retirement Plan is subject to the Manitoba Pension Benefits Act and Regulations. The University Pension Plans Exemption Regulation 141/2007 allowed the University to make an election to be exempt from solvency and transfer deficiency payments. "2(1) an employer in relation to a university plan may, by filing an election with the plan administrator, elect to be exempt from the solvency and transfer deficiency provisions." On January 19, 2009 the University filed such an election.

Funding of Going-Concern Deficiencies

With the exemption, the Plan will continue to be subject to the going-concern funding provisions of the Act. The University will be required to fund the matching contributions, as well as the actuarial cost of the defined benefits in excess of the matching costs. The funding deficit of \$5,116,000 is required to be funded over a maximum of 15 years. The existing funding deficit will be funded over 10 years. Special payments totaling \$664,000 were made in 2017. The estimated total special payments for 2018 is \$293,000, which will not be confirmed until after the valuation is completed. The next going-concern valuation will be performed as at December 31, 2017 and will be completed in 2018.

12. Other Post-employment Benefits and Compensated Absences

Other Post-employment Benefits

Brandon University provides certain severance and retiring allowance benefits payable upon retirement. An actuarial valuation, using the accrued benefit method, to determine the value of severance pay and retiring allowance benefits is carried out every four years. The most recent actuarial valuation was as at March 31, 2017 with the next valuation due as at March 31, 2021.

Information about the University's employee future benefits is as follows:

	2018	2017
Accrued Benefit Obligation		
Accrued benefit obligation, beginning of year	\$ 1,194,000	\$ 1,180,000
Employer service cost	59,000	53,000
Interest cost	68,000	66,000
Benefit payments	(46,000)	(100,000)
Actuarial (gains)/losses	<u>(123,000)</u>	<u>(5,000)</u>
Accrued benefit obligation, end of year	<u>\$ 1,152,000</u>	<u>\$ 1,194,000</u>
	2018	2017
Accrued Benefit Liability		
Accrued benefit liability, beginning of year	\$ 1,301,000	\$ 1,296,000
Employer contributions	(46,000)	(100,000)
Benefit expense	<u>115,000</u>	<u>105,000</u>
Accrued benefit liability, end of year	<u>\$ 1,370,000</u>	<u>\$ 1,301,000</u>

Brandon University

Notes to the Financial Statements for the year ended March 31, 2018

	2018	2017
Benefit Plan Expense		
Employer service cost	\$ 59,000	\$ 53,000
Interest cost	68,000	66,000
Amortization of net actuarial loss	<u>(12,000)</u>	<u>(14,000)</u>
Total benefit plan expense	<u>\$ 115,000</u>	<u>\$ 105,000</u>

The significant actuarial assumptions adopted in measuring the University's accrued benefit liability and benefit costs are as follows:

	2018	2017
Discount rate (accrued benefit obligation)	5.55%	5.55%
Rate of compensation increase (weighted average)	3.96%	4.59%

The unamortized net actuarial gains of \$218,000 (2017 - \$107,000) will be amortized over the expected average remaining service life (EARSL) which is 9.1 years (2017 - 9.1 years).

The accrued benefit liability for post-employment benefits is reported in the University's Statement of Financial Position under long-term liabilities.

Compensated Absences

The University provides certain employee groups with a sick leave entitlement that accumulates but does not vest. These plans accumulate at a rate of 1/2 day for each pay period to a maximum of 12 days per year. Each plan has a total accumulation allowed. Accumulated sick days may be used in future years. Sick leave, when paid, is paid at the salary in effect at the time of usage. The sick leave benefit is a consideration of the expectation of future benefit utilization. The expected cost of the liability is estimated using the discounted cash flows of the average cost of the excess sick leave taken over the annual entitlement earned, as a series of payments, over EARSL which is 10 years.

	2018	2017
Accrued benefit liability	<u>\$ 313,219</u>	<u>\$ 298,972</u>
Net benefit cost	\$ 14,247	\$ 8,954
Discount rate	5.55%	5.55%

The accrued benefit liability for these compensated benefits is reported in the University's Statement of Financial Position under long-term liabilities.

The University provides certain other employees with their maximum sick leave entitlement of 180 days upon start of employment. This sick leave neither vests nor accumulates. The expected cost of the liability is recognized in the period in which the event occurs and is based on the salary that will be paid for the sick leave.

	2018	2017
Accrued benefit liability and benefit cost	<u>\$ 59,032</u>	<u>\$ 27,004</u>

The accrued benefit liability for these compensated benefits is reported in the University's Statement of Financial Position under accounts payable and accrued liabilities.

Brandon University

Notes to the Financial Statements for the year ended March 31, 2018

13. Internally Restricted Net Assets

Internally restricted net assets represent amounts set aside by the University for the following specific purposes:

	2017 Opening Balance	Current Provision	Purchases	2018 Closing Balance
Ancillary Services	\$ 668,878	\$ 57,035	\$	\$ 725,913
Cello Repair	3,500	3,500		7,000
Healthy Living Centre	8,001		(8,001)	
Healthy Living Centre Screen	(33,684)	33,684		
Kiln Replacement	24,000			24,000
Telephone replacement	552,157			552,157
Vehicle replacement	<u>24,388</u>	<u> </u>	<u> </u>	<u>24,388</u>
	<u>\$ 1,247,240</u>	<u>\$ 94,219</u>	<u>\$ (8,001)</u>	<u>\$ 1,333,458</u>

14. Brandon Centennial Auditorium Corporation Inc.

Under an arrangement between the University, the Province of Manitoba and the City of Brandon, the University built an Auditorium on its property for the benefit of the citizens of Western Manitoba. The expenditures for the building and furnishings were financed from contributions by the Governments of Canada and Manitoba, the City of Brandon and citizens through fundraising campaigns.

The Auditorium has been leased to the Brandon Centennial Auditorium Corporation Inc. for a nominal consideration of \$1 under a 99 year lease which expires 2064 A.D. The University is reimbursed for services supplied to the auditorium as required by the agreement.

15. Knowles-Douglas Student Union Centre

The Knowles-Douglas Student Union Centre has been leased to the Knowles- Douglas Student Union Centre Inc. for the nominal consideration of \$1 per year under a 50 year lease which expires 2035 A.D. The University supplies certain services to the Centre as required by the lease.

16. Contractual Obligations

An agreement between the University and the Brandon University Students' Union Inc. provides for the equal sharing of profits of the University's bookstore operations. The Students' Union share of profits amounted to \$3,934 for the year ended March 31, 2018 (2017 - \$15,500).

17. Related Party Transactions

The University is related in terms of common control to all Province of Manitoba created departments, agencies and crown corporations. The University may enter into transactions with these entities in the normal course of business. These transactions are recorded at the exchange amount.

18. Comparative Figures

Comparative figures for the year ended March 31, 2017 have been reclassified where necessary to conform with the presentation adopted for the year ended March 31, 2018.

Brandon University

Additional Financial Information for the year ended March 31, 2018

The foregoing consolidated financial statements and accompanying notes to the financial statements have been audited by the Auditor General for Manitoba and are the subject of the audit report dated June 23, 2018.

The following schedules 1 through 7 have been prepared to provide additional information and are not covered in the Auditor's report. The information in schedule 6 is used for the program costing calculations.

Brandon University

Detailed Schedule of Operations - Unrestricted for the Year Ended March 31, 2018

	General Operating	Ancillary Services	Total 2018	Total 2017
REVENUES				
Tuition and other student fees	\$ 10,257,127	\$	\$ 10,257,127	\$ 9,413,785
Grants - Education & Training Division	39,019,914	133,358	39,153,272	38,820,400
Sales of goods and services		4,043,941	4,043,941	3,467,410
Brandon University Foundation	2,288,988		2,288,988	2,266,320
Amortization of deferred capital contributions	2,029,791		2,029,791	2,107,281
External cost recoveries	2,843,787		2,843,787	2,625,225
Gain on contribution of capital assets				186,000
Interest income	146,740		146,740	167,727
Miscellaneous	<u>80,735</u>		<u>80,735</u>	<u>213,137</u>
	<u>56,667,082</u>	<u>4,177,299</u>	<u>60,844,381</u>	<u>59,267,285</u>
EXPENSES				
Salaries - academic	23,929,931		23,929,931	23,192,563
Salaries - support	12,619,570	1,385,964	14,005,534	13,513,661
Benefits	4,619,237	188,434	4,807,671	5,295,701
Travel	1,128,962	10,467	1,139,429	1,263,403
Supplies and consumable expenses	5,277,109	726,204	6,003,313	5,852,150
Major renovations	293,306		293,306	45,546
Property taxes	105,321	8,803	114,124	109,202
Utilities	698,399	304,166	1,002,565	958,985
Cost of goods sold	118,475	684,470	802,945	657,864
Scholarships and bursaries	2,536,768	41,245	2,578,013	2,098,722
Interest on long-term liabilities		75,203	75,203	82,870
Amortization	3,118,493		3,118,493	3,220,753
Loss on disposal of capital assets	<u>2,198</u>		<u>2,198</u>	<u>5,609</u>
	<u>54,447,769</u>	<u>3,424,956</u>	<u>57,872,725</u>	<u>56,297,029</u>
Excess of revenues over expenses	<u>\$ 2,219,313</u>	<u>\$ 752,343</u>	<u>\$ 2,971,656</u>	<u>\$ 2,970,256</u>

Brandon University

Detailed Schedule of Operations - Restricted
for the Year Ended March 31, 2018

	Research & Special Projects	Special Programs	Restricted Capital	Total 2018	Total 2017	Deferred Contributions 2018	Deferred Contributions 2017	Transfer To Statement of Operations 2018	Transfer To Statement of Operations 2017
Revenues									
Tuition fees	\$	\$ 938,305	\$	\$ 938,305	\$ 644,813	\$ (2,879)	\$ (50,161)	\$ 935,426	\$ 594,652
Grants									
Education & Training									
Division	955,000		488,000	1,443,000	2,315,000	(549,982)	(910,134)	893,018	1,404,866
Province of Manitoba	628,540			628,540	222,494	(305,643)	144,550	322,897	367,044
Government of Canada	2,083,026			2,083,026	1,522,538	(190,867)	26,841	1,892,159	1,549,379
Brandon University Foundation	390,137	13,947	30,420	434,504	371,159	(30,420)	(54,533)	404,084	316,626
Miscellaneous	<u>917,649</u>	<u></u>	<u>379,010</u>	<u>1,296,659</u>	<u>865,461</u>	<u>15,047</u>	<u>98,857</u>	<u>1,311,706</u>	<u>964,318</u>
	<u>4,974,352</u>	<u>952,252</u>	<u>897,430</u>	<u>6,824,034</u>	<u>5,941,465</u>	<u>(1,064,744)</u>	<u>(744,580)</u>	<u>5,759,290</u>	<u>5,196,885</u>
Expenses									
Salaries - academic	653,535	565,155		1,218,690	1,094,716			1,218,690	1,094,716
Salaries - support	1,579,068	76,785		1,655,853	1,438,556			1,655,853	1,438,556
Benefits	294,370	89,662		384,032	364,499			384,032	364,499
Travel	602,684	35,034		637,718	460,123			637,718	460,123
Supplies and other expenses	1,660,065	185,011		1,845,076	1,827,774			1,845,076	1,827,774
Major renovations	<u>12,642</u>	<u></u>	<u>5,279</u>	<u>17,921</u>	<u>11,217</u>	<u></u>	<u></u>	<u>17,921</u>	<u>11,217</u>
	<u>4,802,364</u>	<u>951,647</u>	<u>5,279</u>	<u>5,759,290</u>	<u>5,196,885</u>	<u></u>	<u></u>	<u>5,759,290</u>	<u>5,196,885</u>
Excess/(deficiency) of									
revenues over expenses	<u>\$ 171,988</u>	<u>\$ 605</u>	<u>\$ 892,151</u>	<u>\$ 1,064,744</u>	<u>\$ 744,580</u>	<u>\$ (1,064,744)</u>	<u>\$ (744,580)</u>	<u>\$ -</u>	<u>\$ -</u>

Brandon University

Deferred Contributions and Unamortized Deferred Capital Contributions for the Year Ended March 31, 2018

	Research & Special Projects	Special Programs	Restricted Capital	Total 2018	Total 2017	Unamortized Deferred Capital Contributions	
						2018	2017
Contributions received							
Tuition and related fees	\$	\$ 938,305	\$	\$ 938,305	\$ 644,813	\$	\$
Grants	3,666,566		488,000	4,154,566	4,060,032		
Brandon University Foundation	390,137	13,947	30,420	434,504	371,159		
Miscellaneous	917,649		379,010	1,296,659	865,461		
Expenses	(4,802,364)	(951,647)	(5,279)	(5,759,290)	(5,196,885)		
Transfers from/to:							
Unrestricted accounts	225,336			225,336	295,640		
Capital acquisitions/disposal gains	(441,579)		(892,151)	(1,333,730)	(1,422,757)	1,333,730	1,422,757
Amortization of deferred capital contributions	_____	_____	_____	_____	_____	(2,029,791)	(2,107,281)
	(44,255)	605		(43,650)	(382,537)	(696,061)	(684,524)
Deferred balance, beginning of year	<u>2,209,036</u>	<u>506,285</u>		<u>2,715,321</u>	<u>3,097,858</u>	<u>48,195,443</u>	<u>48,879,967</u>
Deferred balance, end of year	<u>\$ 2,164,781</u>	<u>\$ 506,890</u>	<u>\$ -</u>	<u>\$ 2,671,671</u>	<u>\$ 2,715,321</u>	<u>\$ 47,499,382</u>	<u>\$ 48,195,443</u>

Brandon University

Schedule of Investment in Capital Assets and Collections for the Year Ended March 31, 2018

	Total 2018	Total 2017
Balance, beginning of year	\$ <u>10,301,783</u>	\$ <u>10,007,114</u>
Internally funded capital asset additions		
General operating funds		
Land and buildings	376,312	625,847
Furniture and equipment	478,136	317,568
Library acquisitions	386,314	213,313
Ancillary services		
Furniture and equipment	<u>118,373</u>	<u>33,659</u>
	<u>1,359,135</u>	<u>1,190,387</u>
Non-amortizable capital asset donations	22,600	125,000
Disposals (net book value) - internally funded capital assets	(2,198)	(5,609)
Amortization of internally funded capital assets	(1,088,702)	(1,113,473)
Repayment of long-term debt	<u>105,646</u>	<u>98,364</u>
Balance, end of year	\$ <u>10,698,264</u>	\$ <u>10,301,783</u>

Brandon University

**Schedule of Operating Revenues
for the Year Ended March 31, 2018**

	Total 2018	Total 2017
Grants		
Education & Training Division		
Operating	\$ 38,357,014	\$ 38,357,028
Renovations and equipment	330,000	330,000
Manitoba Scholarships & Bursaries Initiative	<u>332,900</u>	<u>-</u>
	<u>39,019,914</u>	<u>38,687,028</u>
Tuition		
Faculty of Arts	2,520,461	2,295,040
Faculty of Education	1,272,465	1,150,541
Faculty of Science	2,670,604	2,539,148
Faculty of Health Studies	1,802,161	1,702,865
School of Music	412,964	407,223
Visa Premium	<u>743,939</u>	<u>538,477</u>
	<u>9,422,594</u>	<u>8,633,294</u>
Music Conservatory	<u>391,114</u>	<u>394,888</u>
Other student fees	<u>443,419</u>	<u>385,603</u>
Brandon University Foundation	<u>754,283</u>	<u>850,386</u>
Interest income	<u>146,740</u>	<u>167,727</u>
Miscellaneous	<u>34,973</u>	<u>213,026</u>
Total Operating Revenues	<u>\$ 50,213,037</u>	<u>\$ 49,331,952</u>

BRANDON UNIVERSITY

Detailed Schedule of Operating Expenses
for the Year Ended March 31, 2018

	Academic	Support	Benefits	Travel	Supplies & Other Expenses	Deduct: Cost Recoveries	Total March 31, 2018	Total March 31, 2017
Faculty of Arts								
Office of the Dean	\$ 755,177	\$ 201,707	\$ 135,576	\$ 31,964	\$ 95,124	\$ 1,730	\$ 1,217,818	\$ 1,109,392
Drama	129,889		22,202	1,322	1,253		154,666	172,690
Economics	355,839		57,372	706	4,286		418,203	408,474
English	663,796		113,039	5,212	7,179		789,226	776,483
History	726,141		120,555	12,832	6,171		865,699	843,789
Languages	293,484		50,188	5,616	2,364		351,652	312,709
Gender & Women's Studies	44,943		7,663	123	617		53,346	37,462
Philosophy	250,267		44,954	4,744	1,525		301,490	409,666
Political Science	334,617		54,070	2,801	1,953		393,441	490,367
Religion	362,287		59,062		1,151		422,500	402,380
Sociology	630,736		106,780	10,451	4,855		752,822	661,257
Native Studies	494,611		78,438	4,058	12,445		589,552	587,573
Business Administration	332,340		67,825	7,817	5,408		413,390	404,192
Fine Arts	465,172	13,100	83,456	6,643	27,259	14,850	580,780	571,532
Anthropology	317,186		55,611	6,253	3,458		382,508	364,711
Rural Development	362,163		58,114	6,924	762		427,963	421,401
Archeology Field School				2,852	902	4,000	(246)	
	<u>6,518,648</u>	<u>214,807</u>	<u>1,114,905</u>	<u>110,318</u>	<u>176,712</u>	<u>20,580</u>	<u>8,114,810</u>	<u>7,974,078</u>
Faculty of Science								
Office of the Dean	204,458	158,565	62,441	24,477	99,249	150	549,040	517,731
Applied Disaster & Emergency Studies	347,183	318	57,457	3,720	9,715		418,393	404,672
Biology	1,272,078	8,161	204,706	8,159	67,380	14,136	1,546,348	1,501,815
Chemistry	572,600	9,336	95,939	2,083	31,881	22,646	689,193	653,073
Geography	606,110	3,319	103,041	11,704	16,736	4,120	736,790	697,306
Geology	681,293	2,742	109,499	16,791	26,938	14,770	822,493	824,175
Mathematics/Computer Science	1,236,232	35,835	179,636	11,585	17,245	200	1,480,333	1,461,523
Environmental & Life Sciences	180,320	76,115	39,823	3,838	17,315		317,411	320,948
Physics/Astronomy	637,212	5,645	105,038	1,279	44,460	435	793,199	710,852
Psychology	949,352	19,937	153,928	5,419	13,200		1,141,836	1,103,336
	<u>6,686,838</u>	<u>319,973</u>	<u>1,111,508</u>	<u>89,055</u>	<u>344,119</u>	<u>56,457</u>	<u>8,495,036</u>	<u>8,195,431</u>
Faculty of Health Studies								
Office of the Dean	200,810	63,312	37,777	21,271	122,912	139	445,943	420,100
Psychiatric Nursing	2,449,881	94,356	438,948	7,909	245,691	6,301	3,230,484	3,343,834
Bachelor of Nursing	1,610,148	97,240	305,649	1,689	23,282	990	2,037,018	2,033,125
Indigenous Health Studies Transition	78,917	304	14,841		749		94,811	90,904
Health Studies Research Office	46,349	(3,225)	8,708		6,882		58,714	63,379
Masters Psychiatric Nursing	66,158		3,038	714	2,175	2,500	69,585	66,178
	<u>4,452,263</u>	<u>251,987</u>	<u>808,961</u>	<u>31,583</u>	<u>401,691</u>	<u>9,930</u>	<u>5,936,555</u>	<u>6,017,520</u>

BRANDON UNIVERSITY

Detailed Schedule of Operating Expenses
for the Year Ended March 31, 2018

	Academic	Support	Benefits	Travel	Supplies & Other Expenses	Deduct: Cost Recoveries	Total March 31, 2018	Total March 31, 2017
Faculty of Education								
Office of the Dean	289,371	170,820	72,204	49,717	99,008	12,339	668,781	708,623
Field Experience	263,422	49,042	38,307	9,092	12,570	9,070	363,363	347,732
Leadership & Ed Administration	564,806		70,432		1,097	2,760	633,575	570,474
Curriculum & Pedagogy	780,208		109,206		9,321	11,079	887,656	900,916
Ed Psychology & Student Services	610,802		83,602		2,676	4,400	692,680	553,555
Physical Education	547,344		69,335	9,305	26,271	19,655	632,600	633,036
Graduate Studies	37,511		1,751		2,094	16,438	24,918	21,211
	<u>3,093,464</u>	<u>219,862</u>	<u>444,837</u>	<u>68,114</u>	<u>153,037</u>	<u>75,741</u>	<u>3,903,573</u>	<u>3,735,547</u>
School of Music	2,436,421	188,114	435,461	101,218	222,759	112,292	3,271,681	3,037,868
Music Conservatory	<u>354,302</u>	<u>30,000</u>	<u>4,877</u>	<u>1,623</u>	<u>42,504</u>	<u>60</u>	<u>433,246</u>	<u>400,318</u>
Total Academic	<u>23,541,936</u>	<u>1,224,743</u>	<u>3,920,549</u>	<u>401,911</u>	<u>1,340,822</u>	<u>275,060</u>	<u>30,154,901</u>	<u>29,360,762</u>
Library Services		<u>1,325,179</u>	<u>246,405</u>	<u>15,479</u>	<u>817,173</u>	<u>133,866</u>	<u>2,270,370</u>	<u>2,149,324</u>
Student Services								
Student Services		1,090,931	201,866	31,289	67,417		1,391,503	1,486,296
Registrar		620,401	122,186	2,094	25,731	33,406	737,006	688,733
Office of International Activities		178,185	32,287	92,266	68,487	400	370,825	337,565
English for Academic Purposes		221,940	14,373	3,239	190,332	443,547	(13,663)	(43,400)
Recruitment & Retention		312,560	55,102	27,762	76,232	3,661	467,995	529,347
Indigenous Peoples' Centre		<u>164,832</u>	<u>30,073</u>	<u>10,779</u>	<u>43,059</u>	<u>643</u>	<u>248,100</u>	<u>151,452</u>
		<u>2,588,849</u>	<u>455,887</u>	<u>167,429</u>	<u>471,258</u>	<u>481,657</u>	<u>3,201,766</u>	<u>3,149,993</u>
Administration								
Board of Governors				3,058	86,200		89,258	9,788
President		449,809	67,520	15,487	122,102		654,918	757,227
Vice-President (Administration & Finance)		357,991	57,086	18,324	8,803		442,204	373,319
Vice-President (Academic & Provost)		<u>455,855</u>	<u>82,757</u>	<u>45,132</u>	<u>59,745</u>		<u>643,489</u>	<u>601,500</u>
		<u>1,263,655</u>	<u>207,363</u>	<u>82,001</u>	<u>276,850</u>		<u>1,829,869</u>	<u>1,741,834</u>
General Support								
Convocation		2,234	52	337	36,252	811	38,064	36,212
Information Technology Services		870,148	171,274	7,154	392,880	516,564	924,892	818,816
Advancement & External Relations		303,101	55,898	8,667	100,492	1,606	466,552	537,314
Marketing & Communications		276,716	57,304	3,622	50,165	9,538	378,269	439,620
Financial & Registration Services		534,421	122,496	7,327	14,022	65,766	612,500	798,007
Human Resources		793,649	259,600	21,470	135,953	475	1,210,197	1,219,666
Institutional Data & Analysis		200,676	32,261	4,909	3,377	4,000	237,223	176,490
Centre for Teaching, Learning & Technology		179,491	27,790	1,070	3,890		212,241	186,355
Institutional Membership Fees					74,498		74,498	110,190
Print/Mail Services		70,390	15,931		41,351	72,695	54,977	56,133
Professional Fees					<u>122,758</u>		<u>122,758</u>	<u>104,423</u>
		<u>3,230,826</u>	<u>742,606</u>	<u>54,556</u>	<u>975,638</u>	<u>671,455</u>	<u>4,332,171</u>	<u>4,483,226</u>

BRANDON UNIVERSITY

Detailed Schedule of Operating Expenses
for the Year Ended March 31, 2018

	Academic	Support	Benefits	Travel	Supplies & Other Expenses	Deduct: Cost Recoveries	Total March 31, 2018	Total March 31, 2017
Athletic Programs								
Athletics		617,100	106,546	344,780	534,211	464,426	1,138,211	1,024,851
Campus Recreation		46,067	5,931	344	19,877	20,821	51,398	51,849
Healthy Living Centre		<u>475,587</u>	<u>50,204</u>	<u>235</u>	<u>205,691</u>	<u>517,133</u>	<u>214,584</u>	<u>200,398</u>
		<u>1,138,754</u>	<u>162,681</u>	<u>345,359</u>	<u>759,779</u>	<u>1,002,380</u>	<u>1,404,193</u>	<u>1,277,098</u>
Miscellaneous Initiatives								
Bran-U-Day Care Subsidy					4,895		4,895	5,100
Research Development					124,476		124,476	166,710
Other	126,054	14,028		8,533	159,958	20,000	288,573	223,900
Pension Liability Payments			507,250				507,250	1,260,500
Junior Kindergarten		54,991	11,373		473	38,435	28,402	21,616
Dauphin Site	99,558		11,881	10,543	15,978	50,000	87,960	70,796
Rural Development	130,355	1,109	20,885	9,062	21,290		182,701	208,126
International Student Scholarships					128,445		128,445	73,707
University Scholarships					<u>873,618</u>		<u>873,618</u>	<u>549,294</u>
	<u>355,967</u>	<u>70,128</u>	<u>551,389</u>	<u>28,138</u>	<u>1,329,133</u>	<u>108,435</u>	<u>2,226,320</u>	<u>2,579,749</u>
Physical Plant								
Plant Maintenance		923,870	202,899	17,728	388,362	72,473	1,460,386	1,347,757
Buildings & Grounds		726,130	250,640		113,378		1,090,148	1,025,761
Insurance					240,506		240,506	252,526
Security					71,855		71,855	71,557
Service Contracts					65,904		65,904	67,452
Property Taxes					104,701		104,701	103,845
Utilities					<u>698,399</u>	<u>98,461</u>	<u>599,938</u>	<u>578,595</u>
		<u>1,650,000</u>	<u>453,539</u>	<u>17,728</u>	<u>1,683,105</u>	<u>170,934</u>	<u>3,633,438</u>	<u>3,447,493</u>
Total Operating Expenses	<u>\$ 23,897,903</u>	<u>\$ 12,492,134</u>	<u>\$ 6,740,419</u>	<u>\$ 1,112,601</u>	<u>\$ 7,653,758</u>	<u>\$ 2,843,787</u>	<u>\$ 49,053,028</u>	<u>\$ 48,189,479</u>

Brandon University

**Detailed Schedule of Ancillary Services
for the year ended March 31, 2018**

	Bookstore	Food Services	Parking	Residence	Rental Property	Total 2018	Total 2017
Revenues							
Room and board fees	\$	\$ 1,270,541	\$	\$ 1,590,364		\$ 2,860,905	\$ 2,472,456
Conventions		183,784		147,405		331,189	118,629
Cash sales and vending machines		190,738				190,738	191,002
Internal functions		109,626				109,626	122,862
Other	<u>63,367</u>	<u>19,081</u>	<u>292,582</u>	<u>131,925</u>	<u>44,528</u>	<u>551,483</u>	<u>562,461</u>
Total Revenues	<u>63,367</u>	<u>1,773,770</u>	<u>292,582</u>	<u>1,869,694</u>	<u>44,528</u>	<u>4,043,941</u>	<u>3,467,410</u>
Expenses							
Salaries		601,945		784,019		1,385,964	1,195,781
Staff benefits		120,511		67,923		188,434	165,583
Cost of goods sold		684,470				684,470	558,775
Supplies and other expenses	3,305	126,178	91,151	449,022	10,888	680,544	658,151
Scholarships				41,245		41,245	59,787
Rent	52,193					52,193	51,169
Property taxes					8,803	8,803	8,691
Utilities	<u>76,437</u>	<u>7,783</u>	<u>219,946</u>	<u>304,166</u>	<u>301,004</u>	<u>301,004</u>	<u>301,004</u>
Total Expenses	<u>55,498</u>	<u>1,609,541</u>	<u>98,934</u>	<u>1,562,155</u>	<u>19,691</u>	<u>3,345,819</u>	<u>2,998,941</u>
Net Gain before specific provisions, capital acquisitions and transfers	7,869	164,229	193,648	307,539	24,837	698,122	468,469
Appropriated specific provision		(7,550)		(49,485)		(57,035)	(72,121)
Capital purchases		(98,107)		(20,266)		(118,373)	(33,659)
Students' Union share of Bookstore profit	<u>(3,934)</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u>(3,934)</u>	<u>(15,500)</u>
Net Gain	<u>\$ 3,935</u>	<u>\$ 58,572</u>	<u>\$ 193,648</u>	<u>\$ 237,788</u>	<u>\$ 24,837</u>	<u>\$ 518,780</u>	<u>\$ 347,189</u>