FINANCIAL STATEMENTS

APRIL 30, 2010

INDEX

Page

STATEMENT OF ADMINISTRATIVE RESPONSIBILITY

The administration of the University is responsible for the preparation of the financial statements, the notes thereto and all other financial information contained in this annual report.

The financial statements were prepared in accordance with Canadian generally accepted accounting principles. The administration believes the financial statements present fairly, in all material respects, the University's financial position as at April 30, 2010 and the results of its operations and its cash flows for the year then ended. In order to achieve the objective of fair presentation in all material respects, the use of reasonable estimates and judgments was employed. Additionally, the administration has ensured that all financial information presented in this report has been prepared in a manner consistent with that in the financial statements.

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

The University has retained Mercer (Canada) Limited in order to provide an estimate of the University's pension liability and other post-employment benefits for the current year. The administration has provided the valuation actuary with the information necessary for the completion of the University's report and retains ultimate responsibility for the determination and estimation of the reported pension and other benefit liabilities.

The Board of Governors carries out its responsibility for review of the financial statements and this annual report principally through its Finance and Audit Committee ("Committee"). The majority of the members of the Committee are not officers or employees of the University. The Committee meets regularly with the administration, as well as the internal auditors and the external auditors, to discuss the results of audit examinations and financial reporting matters, and to satisfy itself that each party is properly discharging its responsibilities. The auditors have full access to the Finance and Audit Committee with and without the presence of the administration.

Ernst & Young LLP Chartered Accountants, the auditors appointed by the Board of Governors, have reported on the financial statements for the year ended April 30, 2010. The auditors' report outlines the scope of their audit and their opinion on the presentation of the information included in the financial statements.

Gary Brewer
Vice-President, Finance and Administration

Mamdouh Shoukri
President and Vice-Chancellor

INTRODUCTION TO YORK UNIVERSITY
FINANCIAL STATEMENTS – 2009-2010

In 2009-2010, the University continued to manage its finances in a very challenging fiscal environment. The current year was characterized by a recovery in capital markets and stronger enrolment growth than originally anticipated after the extended labour dispute of the prior year. Graduate enrolment growth remained a key priority for the University as part of an overall focus on achieving the objectives of the University Academic Plan. Increased tuition fees, additional quality grants from the Province of Ontario and higher enrolments provided additional operating income. However, cost pressures largely associated with salaries and benefits continued to grow.

Grants and contract funding decreased from $386 million in 2009 to $376 million in 2010. In the prior year, the University received one-time funding for deferred maintenance projects.

The Statement of Operations and Changes in Deficit reports total tuition fee revenue increasing from $339 million in 2009 to $370 million in 2010. The majority of this growth is associated with increases in approved tuition fee rates and increasing undergraduate and graduate enrolments.

Salaries and benefits increased from $557 million in 2009 to $607 million in 2010. Salary levels were generally 3% higher than in the previous year and reflected the annual increases associated with the collective agreements that covered the majority of the University's personnel.

Scholarships and bursaries increased from $55 million in 2009 to $59 million in 2010. As detailed in the Summary of Revenue and Expenses, scholarships and bursaries have increased over the last five years, from $50 million in 2006 to $59 million in 2010, largely as a result of the Ontario Student Opportunity Trust Fund, the growth in endowed scholarships and the University's increased budget allocation to support students.

Interest on long-term debt decreased from $23 million in 2009 to $21 million in 2010 due to the maturity of a mortgage during 2010 and the capitalization of interest for assets under construction. Interest costs represent the full cost of servicing all debt, including the debentures issued in 2002 and 2004.

The University experienced an extended labour disruption during the prior year which resulted in the normal academic term being extended into the current fiscal year. This resulted in the deferral of $55 million of revenue related to grants, tuition fees and other services that had not been completed by last fiscal year-end. In fiscal 2010, the deferred revenue was recognized in the Statement of Operations and Changes in Deficit as an increase to the excess of revenue over expenses for the year.

As summarized on the Balance Sheet, the University's unrestricted deficit has decreased from $120 million in 2009 to $68 million in 2010. The decrease in the deficit is the result of the reversal of the deferral of revenue required due to the labour disruption from the prior year, offset by a planned operating budget deficit.

The University's investment in capital assets increased from $651 million in 2009 to $675 million in 2010. The change is the result of new capital construction net of annual amortization charges.

The University entered into a direct finance lease with the Ontario Realty Corporation ("ORC") to rent a facility that was constructed on York land (Keele campus) for the use of the Archives of Ontario. The University entered into contractual arrangements with a consortium that provided the necessary financing, design and construction of the facility. As payment for the cost of the facility, York assigned the future revenue stream for a period of 35 years. The University has reported the carrying value of the lease ($45 million) as an asset and the corresponding liability for the lease payments as a long- term liability.

Investments at April 30, 2010 totalled $527 million, as compared to $449 million at April 30, 2009. Investments consisted of $294 million in endowments ($245 million last year) and $233 million in other investments ($204 million last year). The change in investments over the course of the year is the result of capital appreciation in endowment assets by $57 million and growth in the endowments from new donations, and the transfer of $50 million from working capital to the Laddered Fixed Income Strategy used to manage a portion of the University's operating cash.

The University has included in liabilities the costs associated with other post-employment benefits. York recognizes the liabilities for future retiree benefits for both active employees and current retirees. The liability at April 30, 2010 was $75 million versus $68 million for the prior year.

Heading into 2010, the University will continue to manage its finances responsibly. The challenges for the next year are as follows:

- the variability of investment returns and the potential impact on pension costs and future endowment distributions;
- the increasing pressures on salary and benefit costs;
- the implications of potential changes in government grant funding allocations;
- the uncertainty associated with the tuition fee framework beyond 2012; and
- the achievement of planned budget cuts across the institution.

These challenges are expected to impact through fiscal year 2010-2011 and beyond.

Gary Brewer
Vice-President, Finance and Administration

SUMMARY OF REVENUE AND EXPENSES

Total Revenue and Expenses
(Millions of dollars)

Year Ended April 30

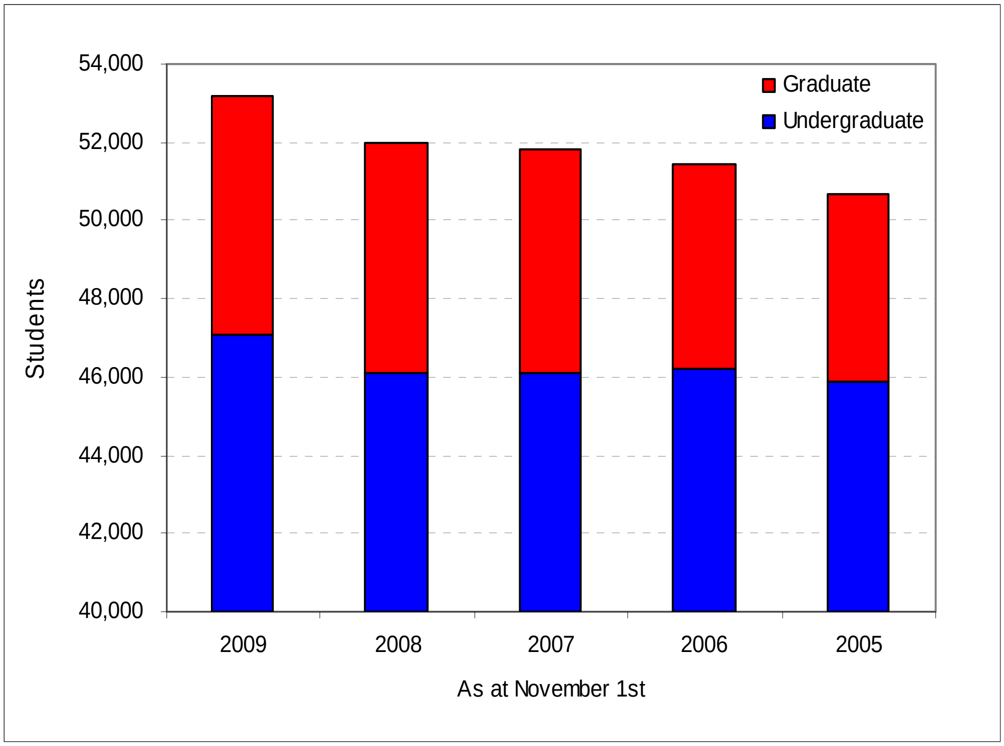
	2010	2009	2008	2007	2006
	$	$	$	$	$
REVENUE					
Grants and contracts before adjustment *(note 16)*	375.7	386.4	376.5	376.6	338.9
Student fees before adjustment *(note 16)*	370.0	339.0	331.7	316.3	301.3
Donations	6.8	5.3	6.5	5.4	5.4
Investment income	21.3	10.5	21.5	22.0	19.1
Sales and services before adjustment *(note 16)*	68.0	64.9	66.8	67.1	67.0
Amortization of deferred capital contributions	12.8	11.7	12.4	10.4	9.7
Recovery of salaries, benefits and other expenses	27.4	25.2	26.6	24.5	24.5
Other	8.4	3.7	4.1	2.2	28.4
	890.4	**846.7**	**846.1**	**824.5**	**794.3**
EXPENSES					
Salaries and benefits	606.8	556.9	554.0	495.3	469.5
Operating costs	110.8	124.7	119.3	119.2	107.8
Amortization of capital assets	41.2	44.7	37.9	38.3	39.2
Cost of sales and services	23.4	21.4	22.3	23.3	22.0
Taxes and utilities	32.6	33.3	35.5	32.0	29.1
Scholarships and bursaries	58.9	54.6	55.1	52.5	49.5
Interest on long-term debt	21.1	22.8	23.0	23.3	21.7
	894.8	**858.4**	**847.1**	**783.9**	**738.8**

% of Total Revenue and Expenses

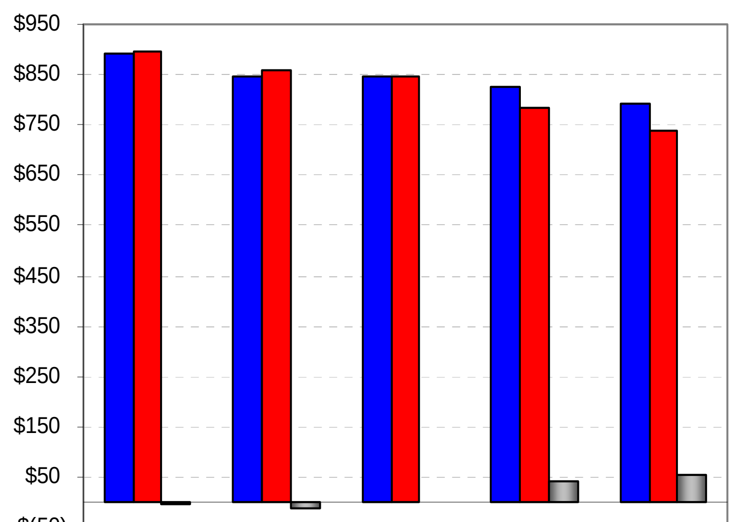
Year Ended April 30

	2010	2009	2008	2007	2006
	%	%	%	%	%
REVENUE					
Grants and contracts before adjustment *(note 16)*	42.2	45.6	44.5	45.6	42.7
Student fees before adjustment *(note 16)*	41.6	40.0	39.2	38.4	37.9
Donations	0.8	0.6	0.8	0.6	0.7
Investment income	2.4	1.3	2.5	2.7	2.4
Sales and services before adjustment *(note 16)*	7.6	7.7	7.9	8.1	8.4
Amortization of deferred capital contributions	1.4	1.4	1.5	1.3	1.2
Recovery of salaries, benefits and other expenses	3.1	3.0	3.1	3.0	3.1
Other	0.9	0.4	0.5	0.3	3.6
	100.0	**100.0**	**100.0**	**100.0**	**100.0**
EXPENSES					
Salaries and benefits	67.8	64.9	65.4	63.1	63.5
Operating costs	12.4	14.5	14.1	15.2	14.6
Amortization of capital assets	4.6	5.1	4.5	4.9	5.3
Cost of sales and services	2.6	2.5	2.6	3.0	3.0
Taxes and utilities	3.6	3.9	4.2	4.1	4.0
Scholarships and bursaries	6.6	6.4	6.5	6.7	6.7
Interest on long-term debt	2.4	2.7	2.7	3.0	2.9
	100.0	**100.0**	**100.0**	**100.0**	**100.0**

ENROLMENT GROWTH
2009 – 2005



REVENUE AND EXPENSES
Year Ended April 30
2010 – 2006(Millions of dollars)

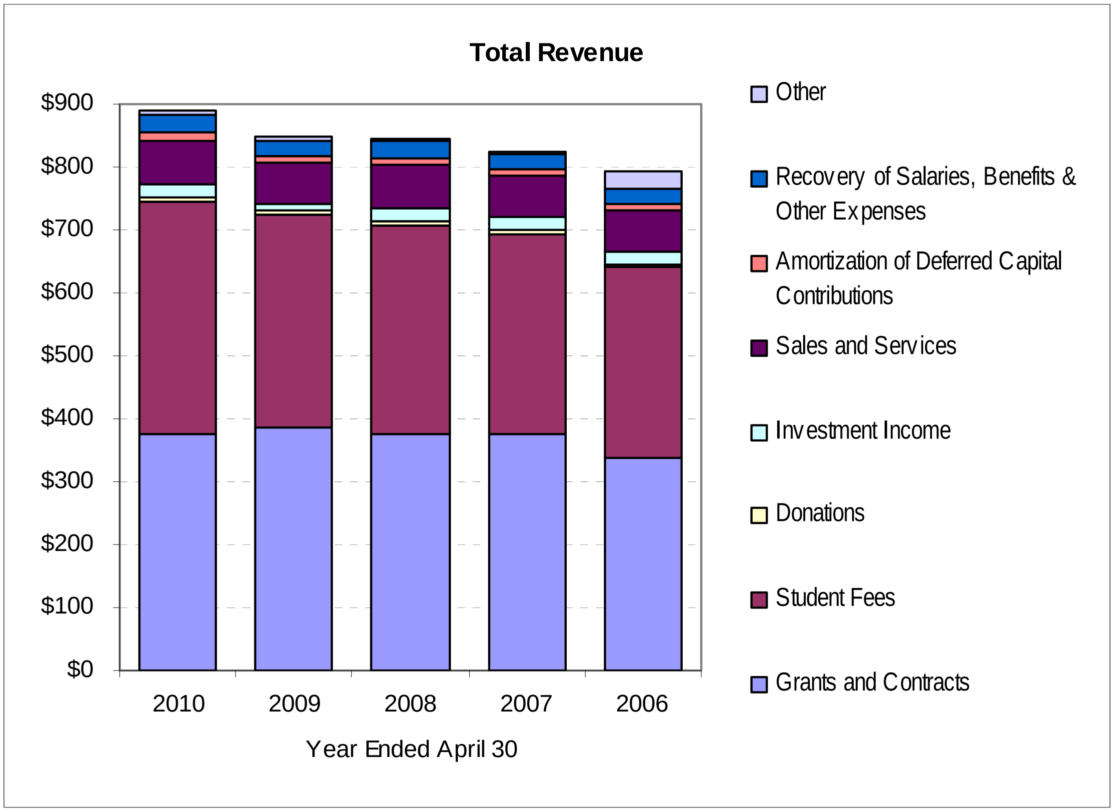


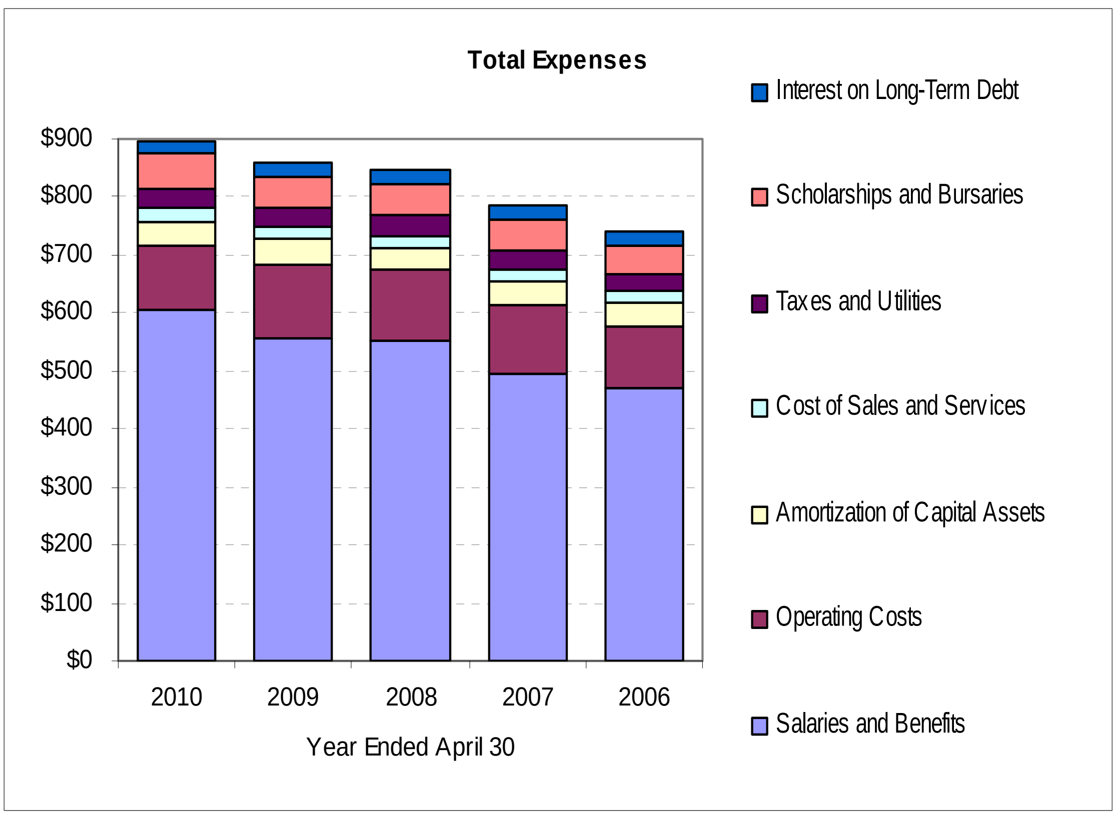
	2010	2009	2008	2007	2006
Revenue *	$890.4	$846.7	$846.1	$824.5	$794.3
Expenses	$894.8	$858.4	$847.1	$783.9	$738.8
Revenue over Expenses *	$(4.4)	$(11.7)	$(1.0)	$40.6	$55.5

***** Before adjustment related to labour disruption *(Notes 6 and 16)*

SUMMARY OF REVENUE AND EXPENSES

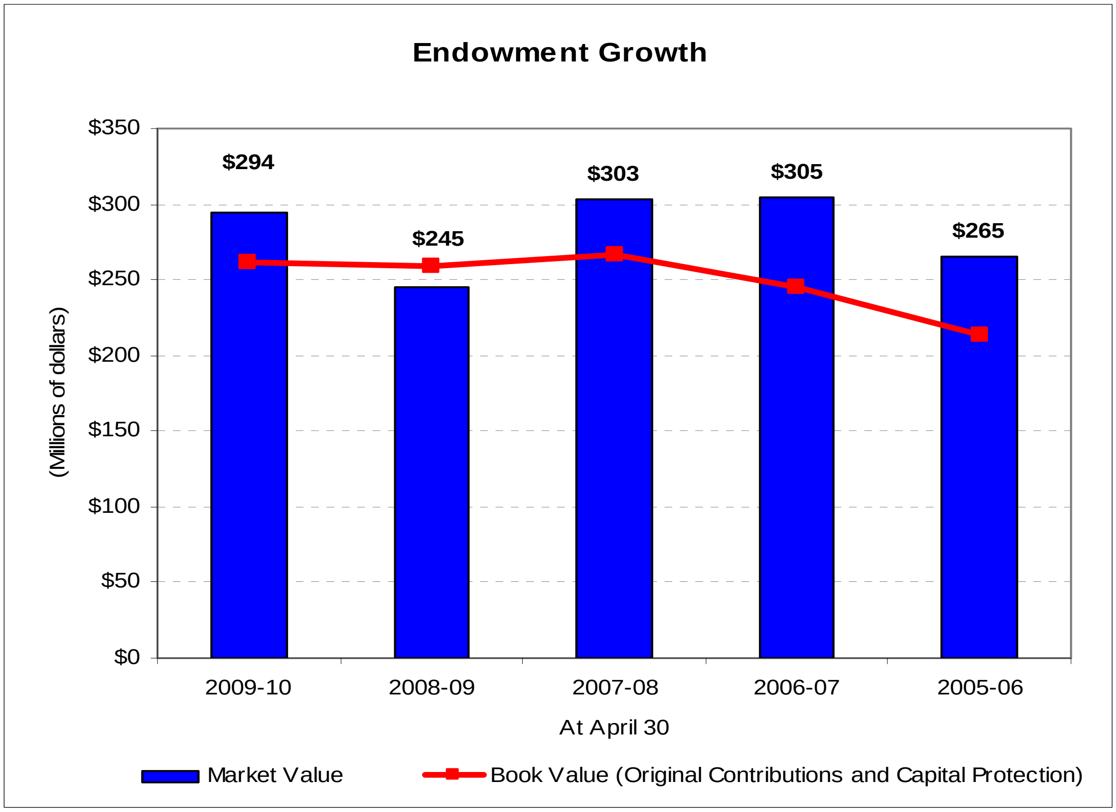
2010 – 2006
(Millions of dollars)

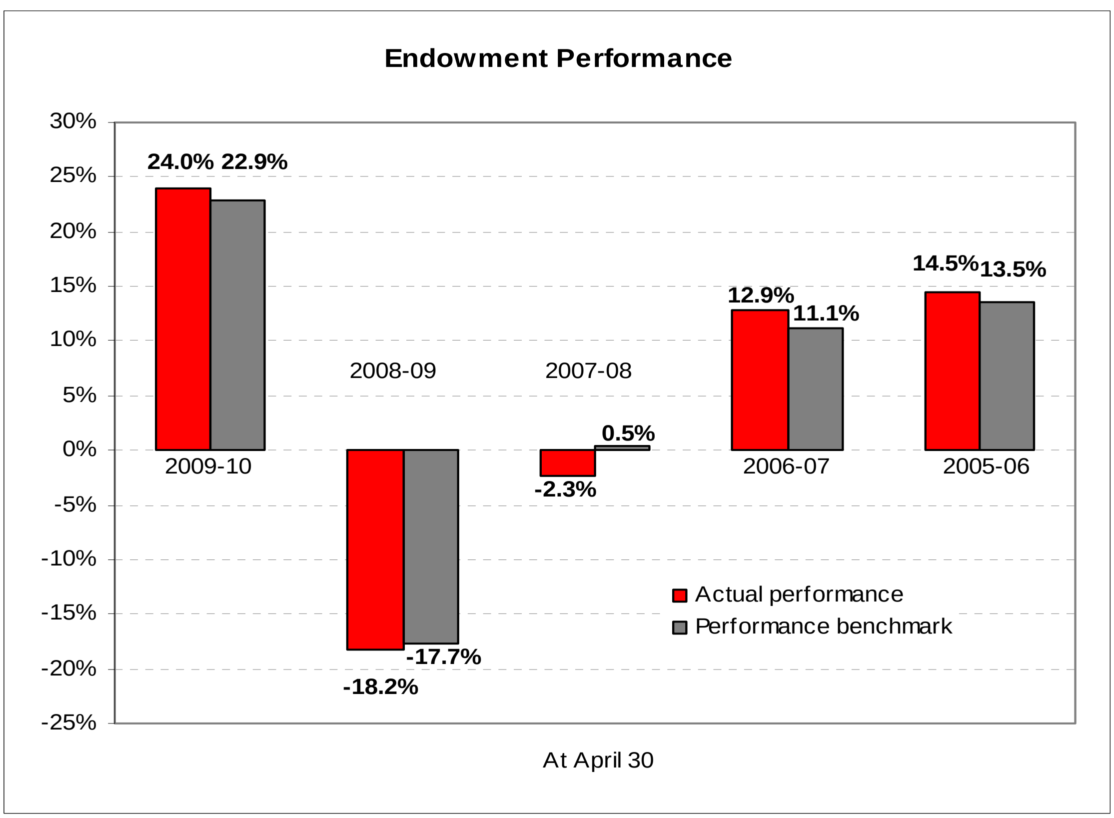




ENDOWMENT GROWTH AND PERFORMANCE

2010 – 2006





ERNST & YOUNG

AUDITORS' REPORT

To the Board of Governors of
York University

We have audited the financial statements of **York University** as at and for the year ended April 30, 2010 comprising the following:

Balance Sheet
Statement of Operations and Changes in Deficit
Statement of Changes in Net Assets
Statement of Cash Flows

These financial statements are the responsibility of the administration of the University. 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 plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the administration, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the University as at April 30, 2010 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Ernst & Young LLP

Chartered Accountants
Licensed Public Accountants

Toronto, Canada
June 7, 2010

BALANCE SHEET
(Thousands of dollars)

As at April 30

	2010 $	2009 $
ASSETS		
Current		
Cash and cash equivalents	**32,953**	81,312
Accounts receivable	**62,290**	79,485
Inventories	**4,489**	4,823
Prepaid expenses	**8,827**	10,219
Total current assets	**108,559**	175,839
Pension cost deferral *(notes 12 and 14)*	**42,159**	38,088
Investments *(note 3)*	**527,489**	448,715
Investment in lease *(note 4)*	**44,634**	44,887
Capital assets, net *(note 5)*	**675,135**	650,931
	1,397,976	1,358,460
LIABILITIES		
Current		
Accounts payable and accrued liabilities	**88,130**	94,226
Current portion of long-term debt *(note 10)*	**4,181**	30,355
Deferred income *(note 6)*	**38,031**	94,946
Deferred contributions *(note 7)*	**83,086**	86,769
Total current liabilities	**213,428**	306,296
Long-term liabilities *(notes 9 and 14)*	**120,059**	113,490
Long-term debt *(note 10)*	**308,899**	313,061
Deferred capital contributions *(note 11)*	**244,651**	220,918
Total liabilities	**887,037**	953,765
Commitments and contingent liabilities *(note 20)*		
NET ASSETS		
Unrestricted deficit	**(68,145)**	(119,526)
Internally restricted *(note 12)*	**285,264**	288,362
Endowments *(note 13)*	**293,820**	235,859
Total net assets	**510,939**	404,695
	1,397,976	1,358,460

See accompanying notes

On behalf of the Board of Governors

Paul Cantor
Chair

Mamdouh Shoukri
President and Vice-Chancellor

STATEMENT OF OPERATIONS AND CHANGES IN DEFICIT
(Thousands of dollars)

Year ended April 30

	2010 $	2009 $
REVENUE		
Grants and contracts before adjustment *(notes 6 and 16)*	**375,678**	386,345
Student fees before adjustment *(notes 6 and 16)*	**370,042**	339,017
Donations	**6,755**	5,309
Investment income *(note 3)*	**21,256**	10,505
Sales and services before adjustment *(notes 6 and 16)*	**67,999**	64,912
Amortization of deferred capital contributions *(note 11)*	**12,846**	11,729
Recovery of salaries, benefits and other expenses	**27,405**	25,171
Other	**8,404**	3,721
Total revenue before adjustment related to labour disruption *(notes 6 and 16)*	**890,385**	846,709
EXPENSES		
Salaries and benefits *(note 14)*	**606,737**	556,949
Operating costs	**110,800**	124,662
Amortization of capital assets	**41,225**	44,754
Cost of sales and services	**23,429**	21,417
Taxes and utilities	**32,641**	33,293
Scholarships and bursaries	**58,911**	54,563
Interest on long-term debt *(note 10)*	**21,060**	22,778
Total expenses	**894,803**	858,416
Deficiency of revenue over expenses for the year before adjustment related to labour disruption	**(4,418)**	(11,707)
Labour disruption *(notes 6 and 16)*	**55,360**	(55,360)
Excess (deficiency) of revenue over expenses for the year	**50,942**	(67,067)
Change in internally restricted net assets	**3,098**	(30,657)
Net transfers from (to) internally restricted endowments	**(2,659)**	13,025
Change in unrestricted deficit in the year	**51,381**	(84,699)
Unrestricted deficit, beginning of year	**(119,526)**	(34,827)
Unrestricted deficit, end of year	**(68,145)**	(119,526)

See accompanying notes

STATEMENT OF CHANGES IN NET ASSETS
(Thousands of dollars)

Year ended April 30

	2010				2009
	Unrestricted deficit $	**Internally restricted $**	**Endowments $**	**Total $**	**Total $**
		(note 12)	*(note 13)*		
Net assets, beginning of year	**(119,526)**	**288,362**	**235,859**	**404,695**	521,487
Excess (deficiency) of revenue over expenses for the year	**50,942**	**-**	**-**	**50,942**	(67,067)
Change in internally restricted net assets *(note 12)*	**3,098**	**(3,098)**	**-**	**-**	-
Investment income (losses) on externally restricted endowments less amounts made available for spending *(note 13)*	**-**	**-**	**46,452**	**46,452**	(56,853)
Contributions to externally restricted endowments *(note 13)*	**-**	**-**	**8,850**	**8,850**	7,128
Net transfers from unrestricted deficit to internally restricted endowments *(note 13)*	**(2,659)**	**-**	**2,659**	**-**	-
Net assets, end of year	**(68,145)**	**285,264**	**293,820**	**510,939**	404,695

See accompanying notes

STATEMENT OF CASH FLOWS
(Thousands of dollars)

Year ended April 30

	2010 $	2009 $
OPERATING ACTIVITIES		
Excess (deficiency) of revenue over expenses for the year	**50,942**	(67,067)
Add (deduct) non-cash items:		
Amortization of capital assets	**41,225**	44,754
Amortization of deferred capital contributions	**(12,846)**	(11,729)
Gain on disposition of capital assets	**(2,550)**	-
Net change in non-cash working capital balances related to operations *(note 15)*	**(45,423)**	61,868
Increase in pension cost deferral	**(4,071)**	(6,443)
Net change in long-term liabilities *(note 15)*	**6,822**	4,191
Cash provided by operating activities	**34,099**	25,574
INVESTING ACTIVITIES		
Purchase of investments, net *(note 15)*	**(32,322)**	(73,427)
Purchase of capital assets *(note 15)*	**(67,829)**	(46,972)
Proceeds from disposition of capital assets	**2,600**	-
Cash used in investing activities	**(97,551)**	(120,399)
FINANCING ACTIVITIES		
Repayment of long-term debt	**(30,336)**	(3,706)
Contributions restricted for capital purposes *(note 11)*	**36,579**	10,673
Contributions to externally restricted endowments *(note 13)*	**8,850**	7,128
Cash provided by financing activities	**15,093**	14,095
Net decrease in cash and cash equivalents during the year	**(48,359)**	(80,730)
Cash and cash equivalents, beginning of year	**81,312**	162,042
Cash and cash equivalents, end of year	**32,953**	81,312

Cash and cash equivalents are comprised of:		
Cash (bank indebtedness)	**32,953**	(3,517)
Cash equivalents	**-**	84,829
Cash and cash equivalents, end of year	**32,953**	81,312

See accompanying notes

NOTES TO FINANCIAL STATEMENTS
(All amounts are in thousands of dollars unless otherwise indicated)

APRIL 30, 2010

1. DESCRIPTION OF THE ORGANIZATION

York University ("York" or the "University") was incorporated under the York University Act 1959 and continued under the York University Act 1965 by the Legislative Assembly of Ontario. The University is dedicated to academic research and to providing post-secondary and post-graduate education. The University is a registered charity and under the provisions of Section 149 of the Income Tax Act (Canada) is exempt from income taxes.

York's financial statements reflect the assets, liabilities, net assets, revenue, expenses and other transactions of all the operations of the University and organizations in which the University has a controlling shareholding or a primary economic interest. Accordingly, these financial statements include the operations, research activities and ancillary operations of the University, the York University Development Corporation (an Ontario corporation of which the University is the sole shareholder) that oversees the development of designated undeveloped York lands and which owns York Lanes shopping mall; and York University Foundation, a federally incorporated foundation, the objects of which are to raise funds for the University and steward the funds so raised.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared by the administration in accordance with Canadian generally accepted accounting principles. The preparation of financial statements requires the administration to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. A summary of significant accounting policies is as follows:

a) Adoption of Canadian Institute of Chartered Accountants ("CICA") Handbook amendments

Effective May 1, 2009, the University adopted the changes to the recommendations in CICA 1000: Financial Statement Concepts that clarify that assets not meeting the definition of an asset or the recognition criteria are not permitted to be recognized on the Balance Sheet. These amendments did not have a significant impact on the financial statements.

b) Revenue recognition

The University follows the deferral method of accounting for contributions, which include donations and government grants. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Externally restricted contributions, other than endowments, are deferred and recognized as revenue in the year in which the related expenses are recognized. Restricted endowment contributions are recognized as direct increases in net assets. Pledges are recorded as revenue on a cash basis since pledges are not legally enforceable.

Donations of materials and services that would otherwise have been purchased are recorded at fair value when fair value can be reasonably determined.

Student fees are recognized as revenue when courses and seminars are held. Sales and services revenue is recognized at the point of sale or when the service has been provided.

c) Financial instruments

As permitted under the CICA Handbook, the University has chosen to continue to apply CICA 3861: Financial Instruments - Disclosure and Presentation in place of CICA 3862: Financial Instruments - Disclosures and CICA 3863: Financial Instruments - Presentation.

d) Cash and cash equivalents

Cash and cash equivalents consist of cash on deposit and investments with original maturities at acquisition of three months or less. Short-term investments used to support capital projects and internally restricted net assets designated as sinking funds are classified as long-term investments.

e) Inventories

Inventories are stated at the lower of cost and net realizable value. The cost of inventories is assigned by using the first-in, first-out method or weighted average cost method, depending on the nature or use of the inventory items. The same costing method is used for all inventories having a similar nature and use.

f) Investments and Investment Income

Investments are recorded at fair value except for investments in fixed income securities which are to be held to maturity and other loans and receivables, both of which are recorded at cost plus accrued interest, using the effective interest rate method.

The fair value of investments is determined as follows:

Publicly traded bonds and equities are determined based on quoted market values based on the latest bid prices. Investments in pooled funds are valued at their unit values provided by the fund manager and unlisted or infrequently traded securities are based on quoted market yields or comparable security prices as appropriate.

Investment income, which consists of interest, dividends, income distributions from pooled funds, and realized and unrealized gains and losses, is recorded as revenue in the Statement of Operations and Changes in Deficit, except for investment income designated for externally restricted endowments. The amount made available for spending against externally restricted endowments is recorded as Investment Income and any amount available for spending that remains unspent at year-end is deferred and categorized as Deferred Contributions. Investment income on externally restricted endowments and losses on externally restricted endowments are recorded as direct increases (decreases) to endowments.

Income (or loss) designated for internally restricted endowments is recognized in the Statement of Operations. The investment income (or loss) as well as all actual spending against internal endowments are then transferred from the unrestricted deficit to internally restricted endowments through the Statement of Changes in Net Assets.

Transactions are recorded on a trade date basis and transaction costs are expensed as incurred.

g) Capital assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair market value at the date of contribution, except for land received under the terms of grants, which is carried at nominal value. Amortization of capital assets is provided on a straight-line basis over their estimated useful lives as follows:

	Annual Rate	**Years**
Buildings, plant facilities and infrastructure	2.5% to 10%	10 to 40
Equipment and furnishings	10% to 33.3%	3 to 10
Library collection	100%	1

Construction in progress expenditures are capitalized as incurred and are amortized as described above once the asset is placed into service. Capitalized expenditures include interest on related debt funding of such expenditures.

Donations of items included in the art collection are recorded as direct increases in capital assets and net assets at an appraised value established by independent appraisal in the period receipted by the University. The art collection is considered to have a permanent value and is not amortized.

h) Foreign exchange translation

The University accounts for revenue and expense transactions in a foreign currency at the exchange rate in effect at the date of the transactions. Monetary assets and liabilities denominated in a foreign currency are translated at year-end exchange rates and any translation gain or loss is included in the Statement of Operations and Changes in Deficit. Foreign exchange gains and losses on investments have been included in investment income.

i) Interest rate swaps

Derivative financial instruments related to interest rate swaps on certain term loans *(note 10)* are used by the University in the management of its exposure to changes in interest rates. The University does not enter into interest rate swaps for trading or speculative purposes. The University does not apply hedge accounting on these derivative financial instruments. The University records financial instruments related to swaps on the Balance Sheet at fair value with subsequent changes in fair value recognized in the Statement of Operations and Changes in Deficit.

j) Employee benefits plans

The University has a defined contribution pension plan, which has a defined benefit component that provides a minimum level of pension benefits. The cost of providing pension benefits and post-employment and post-retirement benefits other than pensions is actuarially determined and recognized in the Statement of Operations and Changes in Deficit using the projected benefit method pro-rated on service and management's best estimates regarding assumptions about a number of future conditions, including investment returns, compensation changes, withdrawals, mortality rates and expected health care costs. Past service costs associated with plan amendments are amortized over the average remaining service life of employees who were active at the time of each plan amendment. Cumulative differences arising from actuarial gains and losses including changes in assumptions over 10% of the greater of the fair value of assets and the accrued benefit obligation are amortized over the average remaining service life of employees. Assets of the pension plan are valued using market values at year-end. Liabilities of the pension plan and post-employment and post-employment benefits are discounted using current interest rates on long-term high-quality fixed income securities.

3. INVESTMENTS

a) Investments consist of the following:

	Maturity	2010 Weighted average interest rate	2009 Weighted average interest rate	2010 $	2009 $
Short-term investments	2010 to 2014	3.14%	3.10%	**199,445**	170,594
Deposit notes	2010 to 2023	4.50%	4.50%	**1,325**	1,392
Government bonds	2010 to 2050	3.27%	5.23%	**49,871**	72,912
Corporate bonds	2010 to 2047	4.65%	9.89%	**36,497**	35,374
Mortgages	2010 to 2015	4.82%	5.58%	**35,349**	12,555
Canadian equities				**54,833**	55,244
International equities				**149,995**	98,681
Other	2010 to 2013	3.25%	3.50%	**174**	1,963
Total				**527,489**	**448,715**
Designated as follows:					
Held for trading				**336,054**	289,666
Held to maturity				**188,753**	156,550
Loans and receivables				**2,682**	2,499
Total				**527,489**	**448,715**
Market value				**530,206**	**454,812**

All investments are recorded at fair value except certain bonds that are designated as held to maturity and certain loans and receivables. The carrying value of the loans and receivables approximates fair value.

Investments are exposed to foreign currency risk, interest rate price risk, and market and credit risks. The University manages these risks through policies and procedures in place governing asset mix, equity and fixed income allocations, and diversification among and within categories.

b) Investment income consists of the following:

	2010 $	2009 $
Investment income (loss) on endowments	**56,666**	(55,739)
Deduct investment income and add investment loss credited/charged to external endowments	**(49,372)**	45,801
Add allocations for spending on external endowments, net of deferrals	**4,093**	8,564
Other investment income	**9,869**	11,879
Total	**21,256**	**10,505**

4. INVESTMENT IN LEASE

The University has entered into a direct finance lease with the Ontario Realty Corporation (“ORC”). The leased facilities are located on the Keele campus and are occupied by the Archives of Ontario. The lease commenced on February 25, 2009 for an initial period of 25 years plus three options to extend the term, each for ten years. Prior to the commencement of the lease, the ORC exercised the first ten-year renewal option.

To construct the facilities used by the Archives of Ontario, in May 2007 the University entered into contractual agreements with a consortium that undertook the design, construction and financing of the facility during the construction phase of the project.

As payment for the cost of the facility, York assigned the revenue stream under the ORC lease to the consortium for a period of 35 years. However, York remains liable for the lease payments to the consortium should ORC default.

The present value of the lease payments due from ORC at lease commencement was determined to be $45 million based on a discount rate of 10.5% and with no residual value assigned to the Archives facility.

The carrying value of the investment in lease is composed of aggregate minimum lease payments due from ORC over 35 years less unearned finance income at a rate of 10.5%. As at April 30, 2010, the balance is as follows:

	2010 **$**	**2009** **$**
Aggregate future minimum lease payments	**158,600**	163,418
Less unearned finance income	**(113,791)**	(118,372)
Investment in lease	**44,809**	45,046
Less current portion recorded in accounts receivable	**(175)**	(159)
Balance, end of year	**44,634**	**44,887**

Minimum future lease payments are expected to be as follows:

	$
2011	4,818
2012	4,818
2013	4,818
2014	4,818
2015	4,818
Thereafter	134,510
Total	**158,600**

The University has recorded the amounts owed to the consortium under the lease assignment within the liabilities section of the Balance Sheet. The current portion of $175 (2009 – $159) is reported within accounts payable and accrued liabilities while the long-term portion is reported in long-term liabilities as $44,634 (2009 – $44,887), *(note 9)*. This liability has been discounted at a rate of 10.5% and will reduce over the 35 year lease assignment term, concurrent with the reduction to investment in lease.

The finance income on the investment in lease of $4,661 (2009 – $834) is equal to the effective interest expense calculated on the liability owing to the consortium.

5. CAPITAL ASSETS

Capital assets consist of the following:

	2010			2009		
	Cost $	Accumulated Amortization $	Net Book Value $	Cost $	Accumulated Amortization $	Net Book Value $
Land	**4,398**	**-**	**4,398**	4,358	**-**	4,358
Buildings, plant facilities and infrastructure	**914,451**	**327,664**	**586,787**	845,449	306,676	538,773
Equipment and furnishings	**132,722**	**83,448**	**49,274**	134,461	84,203	50,258
Library collection	**68,792**	**68,792**	**-**	67,239	67,239	-
Construction in progress	**29,948**	**-**	**29,948**	52,814	-	52,814
Art collection	**4,728**	**-**	**4,728**	4,728	-	4,728
Total	**1,155,039**	**479,904**	**675,135**	**1,109,049**	**458,118**	**650,931**

a) During the year, the total cost of items added to the library collection was $7,603 (2009 – $7,211) and the total cost of items removed was $6,050 (2009 – $5,884). The University's art collection consists of 112 (2009 – 112) paintings that had an appraised value upon receipt of $4,728.

b) During the year, interest of $221 (2009 – $777) related to construction in progress was capitalized within capital assets.

c) The Glendon campus land and a majority of the Keele Street campus land were acquired by grants. These grants had restrictive covenants, which have been registered on the title of the property, and which purport to limit use of the properties for educational or research purposes at the University level. As appraisals are not available at the date of the grants, these assets are recorded in the accounts at nominal value.

6. DEFERRED INCOME

Deferred income consists of the following:

	2010 $	2009 $
Fees and other income	**38,031**	39,586
Deferrals as a consequence of the labour disruption *(note 16)*		
Grants and contracts	**-**	27,841
Student fees	**-**	26,100
Sales and services	**-**	1,419
Total	**38,031**	**94,946**

7. DEFERRED CONTRIBUTIONS

Deferred contributions represent unspent externally restricted grants and donations and unexpended available income on externally restricted endowments. The changes in deferred contributions are as follows:

	2009 $	Additions $	Transfers to revenue $	2010 $
Research and other grants and contracts	61,585	56,900	(55,816)	**62,669**
Expendable balances from endowments and other income from trusts	25,184	24,298	(29,065)	**20,417**
Total	**86,769**	**81,198**	**(84,881)**	**83,086**

8. CREDIT FACILITIES

The University has available facilities as follows:

a) Demand operating facilities in the amount of $20.0 million (2009 – $20.0 million). This facility bears interest at a rate that varies with the balances on deposit, ranging from bank prime rate to bank prime rate plus 0.5%. Letters of credit in the amount of $3.4 million (2009 – $7.6 million) have been utilized against this facility.

b) Indirect guarantor facilities for housing loans to faculty and staff in the amount of $5.0 million (2009 – $8.3 million). These facilities bear interest at the bank's prime rate of 2.25% (2009 – 2.25%). Housing loans to faculty and staff in the amount of $192 (2009 – $178) have been utilized against these facilities.

c) A term loan facility in the amount of $4.9 million (2009 – $7.1 million), which is included in term loans as described in note 10.

9. LONG-TERM LIABILITIES

Long-term liabilities consist of the following:

	2010 $	2009 $
Obligation under lease assignment *(note 4)*	**44,809**	45,046
Less current portion	**(175)**	(159)
Long-term portion of obligation under lease assignment	**44,634**	44,887
Other post-employment benefits *(note 14)*	**75,110**	67,792
Interest rate swaps payable *(note 10)*	**315**	811
Total	**120,059**	**113,490**

10. LONG-TERM DEBT

Long-term debt consists of the following:

	2010 $	2009 $
Debentures		
Senior unsecured debenture bearing interest at 6.48%, maturing on March 7, 2042.	**200,000**	200,000
Senior unsecured debenture bearing interest at 5.84%, maturing on May 4, 2044.	**100,000**	100,000
Other debentures bearing interest at 5.88% to 7.63%, maturing from 2017 to 2023. Weighted average interest rate is 6.85% (2009 – 6.84%).	**5,796**	6,182
Mortgages		
Mortgage bearing interest at 5.38%, maturing on July 1, 2016 (2009 – 10.25% weighted average interest rate on mortgages maturing from 2010 to 2016)	**542**	27,023
Term loans		
Term loans bearing interest at 4.50% to 5.75%, maturing from 2012 to 2023. Weighted average interest rate is 5.56% (2009 – 5.61%).	**8,785**	12,272
	315,123	345,477
Unamortized transaction costs	**(2,043)**	(2,061)
	313,080	343,416
Less current portion	**(4,181)**	(30,355)
Total	**308,899**	**313,061**

Scheduled future minimum annual repayments of long-term debt are as follows:

	$
2011	4,181
2012	4,430
2013	630
2014	670
2015	712
Thereafter	304,500
Total	**315,123**

Certain assets have been pledged as collateral for certain mortgages and certain term loans. The amount of interest expense during the year on long-term debt was $21,060 (2009 – $22,778). Long-term debt has a fair value of $384,170 (2009 – $404,840).

The University entered into term loans in 2002 bearing interest at the public sector cost of funds rate plus 0.25%, or the prime rate, at the University's option. In order to manage the exposure to changes in interest rates, the University entered into interest rate swap contracts to fix the interest rates. The weighted average rate is 5.75% (2009 – 5.75%). The fair value of the interest rate swaps is $315 (2009 – $811), *(note 9)*. The change in the fair value of the interest rate swap of $496 (gain) (2009 – $200 (loss)) is recorded in the Statement of Operations and Changes in Deficit.

11. DEFERRED CAPITAL CONTRIBUTIONS

Deferred capital contributions represent the unamortized amount of restricted donations and grants received for the purchase of capital assets. The amortization of deferred capital contributions is recorded as revenue in the Statement of Operations and Changes in Deficit when the associated capital asset is brought into service. The changes in the deferred capital contributions balance are as follows:

	2010 $	2009 $
Balance, beginning of year	**220,918**	221,974
Contributions received in the year	**36,579**	10,673
Amortization of deferred capital contributions	**(12,846)**	(11,729)
Balance, end of year	**244,651**	**220,918**
Comprised of:		
Capital contributions - expended	**219,552**	202,515
Capital contributions - unexpended	**25,099**	18,403
Balance, end of year	**244,651**	**220,918**

12. INTERNALLY RESTRICTED NET ASSETS

Details of internally restricted net assets are as follows:

	2010 $	2009 $
Departmental carryforwards	**39,910**	43,820
Progress through the ranks	**(25,278)**	(28,412)
Computing systems development	**3,698**	2,419
Contractual commitments to employee groups	**2,947**	3,498
Pension cost deferral *(note 14)*	**42,159**	38,088
Sinking fund	**37,210**	49,946
Investment in capital assets	**143,119**	108,936
Capital reserve	**41,499**	70,067
Balance, end of year	**285,264**	**288,362**

Internally restricted net assets include funds committed for specific purposes that reflect the application of the Board of Governors’ policy as follows:

i. Departmental carryforwards – These represent the cumulative positions of all Faculties and Divisions with net unspent year-end balances at the 2010 year-end. Under Board policy, which is approved annually, Faculties and Divisions are entitled to carryforward the net unspent funds from previous years' allocations. These funds provide units with a measure of flexibility established through prudent administration over several years to assist with future balancing of their budgets in the face of additional anticipated budget reductions, as well as resources which are to meet commitments made during the year.

ii. Progress through the ranks (“PTR”) – This is the cumulative difference between the amounts paid for progress through the ranks salary adjustments and the budget funds provided under York’s salary recovery policy. PTR adjustments are planned to be self-funding over time. However, on a year-to-year basis, the cost of providing PTR adjustments can be more or less than the funds provided, depending on the number of retirements that occurred during the year.

iii. Computing systems development – The University is planning to implement or upgrade several administrative computing and information systems. These appropriated funds support forward commitments for these systems planned or in process, as well as planned future stages of system implementation not yet contracted for at year-end.

iv. Contractual commitments to employee groups – This is the net carryforward of funds to meet future commitments defined under collective agreements with various employee groups.

v. Pension cost deferral – This represents the cumulative portion of University-funded contributions paid into the pension plan which exceeds the accrued value of employee pension benefits earned as at the end of the period, as estimated in accordance with Canadian generally accepted accounting principles.

vi. Sinking fund – This represents funds set aside to retire capital debt.

vii. Investment in capital assets – This represents the net amount of capital assets funded using internal capital.

viii. Capital reserve – This represents funds restricted for deferred maintenance, capital emergencies and capital projects planned or in progress.

13. ENDOWMENTS

Endowments include restricted donations received by the University and funds that have been internally designated. Investment returns generated from endowments are used in accordance with the various purposes established by the donors or by the Board of Governors. The University protects the future purchasing power of its endowments by designating a portion of the annual investment income earned as capital protection. On an annual basis, the University determines the distribution for spending after a review of each individual endowment's market value, original contribution and capital protection, and takes into account the long-term objective to preserve the purchasing power of each endowment. In May 2009 the University made available for spending 0-3% (May 2008 – 5%) of the book value of each individual endowment.

Net assets restricted for endowment consist of the following:

	2009 $	Contributions/ (Withdrawals) $	Available for Spending (External) / Actual Spending (Internal) $	Transfers/ Reclassification $	Investment Income $	2010 $
Externally restricted	202,112	8,850	(2,920)	82	49,372	**257,496**
Internally restricted	33,747	(3,956)	(679)	(82)	7,294	**36,324**
Total	**235,859**	**4,894**	**(3,599)**	**-**	**56,666**	**293,820**

Ontario Student Opportunity Trust Fund and Ontario Trust for Student Support

The Government of Ontario established the Ontario Student Opportunity Trust Fund ("OSOTF") and the Ontario Trust for Student Support ("OTSS") programs to encourage companies and individuals to contribute funds to post-secondary students. The University established three funds – OSOTF – Phase 1 in fiscal 1997; OSOTF – Phase 2 in fiscal 2004; and OTSS in fiscal 2005. Eligible donations are equally matched by the Province. Investment income earned on these funds is used to finance awards to qualified students in need of financial aid. The funds are included in the total of externally restricted endowments.

The position of the fund balances, at book and market value, are calculated as follows:

OSOTF – Phase 1 For the year ended April 30	**2010** **$**	**2009** **$**
Endowment at book value, beginning of year	**67,500**	70,365
Transfer to expendable funds	**-**	(2,865)
Endowment at book value, end of year	**67,500**	**67,500**
Endowment at market value, end of year	**78,968**	**65,654**
Expendable funds available for awards, beginning of year	**4,037**	7,925
Realized investment gains (losses), net of capital protection	**5,342**	(950)
Bursaries awarded	**(2,588)**	(2,938)
Expendable funds available for awards, end of year	**6,791**	**4,037**
Number of bursaries awarded	**1,883**	**1,947**

OSOTF – Phase 2 For the year ended April 30	**2010** **$**	**2009** **$**
Endowment at book value, beginning of year	**10,797**	11,054
Transfer to expendable funds	**(83)**	(257)
Endowment at book value, end of year	**10,714**	**10,797**
Endowment at market value, end of year	**11,560**	**9,463**
Expendable funds available for awards, beginning of year	**(161)**	155
Realized investment gains (losses), net of capital protection	**791**	100
Bursaries awarded	**(288)**	(416)
Expendable funds available for awards, end of year	**342**	**(161)**
Number of bursaries awarded	**208**	**381**

OTSS For the year ended March 31	**2010** **$**	**2009** **$**
Endowment at book value, beginning of year	**30,392**	26,106
Donations received	**2,982**	2,106
Government matching	**2,982**	2,214
Transfer to expendable funds	**-**	(34)
Endowment at book value, end of year	**36,356**	**30,392**
Endowment at market value, end of year	**36,074**	**24,600**
Expendable funds available for awards, beginning of year	**(690)**	893
Realized investment gains (losses), net of capital protection	**1,849**	(1,079)
Bursaries awarded	**(472)**	(504)
Expendable funds available for awards, end of year	**687**	**(690)**
Number of bursaries awarded	**420**	**393**
Outstanding donations pledged	**1,177**	**1,454**

14. EMPLOYEE SALARIES AND BENEFITS

The University has a defined contribution pension plan, which has a defined benefit component that provides a minimum level of pension benefits. The latest actuarial valuation for the pension plan was performed as at December 31, 2007. The next actuarial valuation is required no later than December 31, 2010. The University measures its accrued benefit obligation and the fair value of plan assets for accounting purposes as at April 30 of each year.

The latest actuarial valuations for other non-pension post-retirement and post-employment benefits were performed as at February 1, 2009 and April 1, 2010, respectively, and extrapolated to April 30, 2010. The next actuarial valuations will be completed for fiscal 2012. The University measures its accrued benefit obligation for accounting purposes as at April 30 of each year.

The employee salaries and benefits expense for the year includes pension expense of $31,837 (2009 – $28,816) and other benefits expense of $11,784 (2009 – $8,303).

Information about the University's benefit plans as at April 30 is as follows:

	2010		**2009**	
	Pension Benefit Plans	**Other Benefit Plans**	**Pension Benefit Plans**	**Other Benefit Plans**
	$	**$**	**$**	**$**
Accrued benefit obligation	**(1,516,621)**	**(88,225)**	(1,151,244)	(62,889)
Fair value of plan assets	**1,251,265**	**-**	1,072,328	-
Plan deficit	**(265,356)**	**(88,225)**	**(78,916)**	**(62,889)**
Unamortized transitional asset	**(6,072)**	**-**	(9,108)	-
Unamortized net actuarial loss (gain)	**313,587**	**6,048**	126,112	(12,935)
Unamortized past service costs	**-**	**7,067**	-	8,032
Pension cost deferral (Long-term liability)	**42,159**	**(75,110)**	**38,088**	**(67,792)**

Plan assets are invested as follows:

	2010	**2009**
	%	**%**
Equities	65.0	54.0
Fixed income	33.0	42.0
Other	2.0	4.0
	100.0	**100.0**

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

	2010		**2009**	
	Pension Benefit Plans	**Other Benefit Plans**	**Pension Benefit Plans**	**Other Benefit Plans**
Accrued Benefit Obligation:				
Discount rate	5.75%	6.00%	8.50%	8.00%
Rate of inflation	2.50%		2.50%	
Rate of compensation increase	5.00%	5.00%	5.00%	5.00%
Benefit Cost:				
Discount rate	8.50%	8.00%	6.20%	6.10%
Rate of inflation	2.50%		2.50%	
Expected long-term rate of return on plan assets	7.00%	N/A	7.00%	N/A
Rate of compensation increase	5.00%	5.00%	5.00%	5.00%

For measurement purposes, a 9.00% annual rate of increase in the per capita cost of covered health care benefits was assumed for 2010. The rate of increase was assumed to decrease gradually to 4.50% in 2030 and to remain at that level thereafter.

Other information about the University's benefit plans is as follows:

	2010		2009	
	Pension Benefit Plans	**Other Benefit Plans**	**Pension Benefit Plans**	**Other Benefit Plans**
	$	$	$	$
Employer's contributions	**35,908**	**4,466**	35,259	4,312
Employees' contributions	**18,122**	**-**	17,071	-
Benefits paid and administrative expenses	**62,078**	**4,466**	61,818	4,312

15. STATEMENT OF CASH FLOWS

The net change in non-cash working capital balances related to operations consists of the following:

	2010	2009
	$	**$**
Accounts receivable	**17,195**	(21,806)
Inventories	**334**	1,148
Prepaid expenses	**1,392**	(247)
Accounts payable and accrued liabilities	**(3,746)**	6,922
Deferred income	**(56,915)**	65,704
Deferred contributions	**(3,683)**	10,147
Net change in non-cash working capital balances related to operations	**(45,423)**	**61,868**

The change in long-term liabilities related to non-cash activities and related to operations consists of the following:

	2010	2009
	$	**$**
Change in long-term liabilities	**6,569**	49,078
Net change in obligation under lease assignment *(note 4)*	**253**	(44,887)
Net change in long-term liabilities related to operations	**6,822**	**4,191**

The purchase of investments related to non-cash activities is calculated as follows:

	2010	2009
	$	**$**
Change in investments	**(78,774)**	(16,574)
Add investment income (losses) on externally restricted endowments less amounts made available for spending *(note 13)*	**46,452**	(56,853)
Purchase of investments, net	**(32,322)**	**(73,427)**

The purchase of capital assets related to non-cash activities is calculated as follows:

	2010	2009
	$	**$**
Purchase of capital assets	**65,479**	56,820
Change in current year, from the previous year, in accounts payable and accrued liabilities related to capital asset additions	**2,350**	35,219
Assets subject to capital lease during the year	**-**	(45,067)
Purchase of capital assets	**67,829**	**46,972**

16. LABOUR DISRUPTION

The University experienced a labour disruption during the 2008-2009 academic year. As a consequence of this disruption, the University extended its academic terms into May 2009. These terms had previously been scheduled to conclude by April 30, 2009.

In fiscal 2009, the University therefore deferred to fiscal 2010 a portion of grants and contracts, student fees, and sales and services revenue for services not yet performed. The full amount of grants, student fees, and sales and services revenue related to the 2008/09 academic year were included in revenue in the Statement of Operations and Changes in Deficit with the required deferral presented as a deduction from deficiency of revenue over expenses for the year before adjustment related to labour disruption. The amounts deferred were comprised as follows:

	Amount
	$
Type of revenue	
Grants and contracts	27,841
Student fees	26,100
Sales and services	1,419
Total	**55,360**

In fiscal 2010, the above amounts were recognized in the Statement of Operations and Changes in Deficit as a reduction to deficiency of revenue over expenses for the year before adjustment related to labour disruption.

17. CAPITAL MANAGEMENT

In managing capital, the University focuses on liquid resources available for operations. The University's objective is to have sufficient liquid resources to continue operating even if adverse financial events were to occur, and to provide it with the flexibility to take advantage of opportunities that will advance its mission. The need for sufficient liquid resources is considered in the preparation of its annual operating and capital budgets with actual operating results compared to budget on a regular basis and by the monitoring and forecasting of cash flows on a daily basis. The University attempts to minimize the use of its demand operating facilities *(note 8)* which can be used in the event that sufficient cash flow is not available to cover operating and capital expenditures. In addition, the University can issue unsecured debentures or enter into other long-term debt to assist with the financing of capital assets. As at April 30, 2010, the University has met its objective of having sufficient liquid resources to meet its current obligations.

18. FIRST GENERATION PILOT PROJECT INITIATIVES

For the period from May 1, 2008 to April 30, 2010, the University's financial statements include expenditures totaling $829 incurred for the purpose of carrying out the First Generation Pilot Project Initiatives. The goal of this project is to increase the awareness of the benefits of post-secondary education of First Generation Students and to increase their participation, retention and graduation rates.

19. RELATED ENTITY

The University is a member, with ten other universities, of a joint venture called the Tri-universities Meson Facility ("TRIUMF"), Canada's national laboratory for particle and nuclear physics located on the University of British Columbia ("UBC") campus. TRIUMF is an unincorporated registered charity and each university has an undivided 1/11 interest in its assets, liabilities and obligations. The land and buildings it occupies are owned by UBC. The facilities and its operations are funded by Federal government grants and the University has made no direct financial contribution to date. TRIUMF's net assets are not contemplated to be and are not readily realizable by the University. The University's interest in the assets, liabilities and results of operations are not included in these financial statements (see also note 20).

The following financial information at March 31 for TRIUMF was prepared in accordance with Canadian generally accepted accounting principles except that all capital assets and related provisions for decommissioning costs, if any, are expensed in the year in which the costs are incurred.

	2010	**2009**
	$	**$**
	(Unaudited)	(Audited)
Statement of Financial Position		
Total assets	**17,012**	17,066
Total liabilities	**14,055**	13,706
Total fund balances	**2,957**	3,360
Statement of Combined Funding/Income and Expenditures		
Revenue	**63,303**	59,787
Expenses	**63,706**	61,568
Deficiency of revenue over expenses	**(403)**	(1,781)

20. COMMITMENTS AND CONTINGENT LIABILITIES

a) Forward purchases of natural gas and electricity

The University purchases natural gas for future delivery with fixed pricing. As at April 30, 2010, the University has committed to purchase 2.113M GJ (2009 – 2.210M GJ) of natural gas at an average cost of $7.37/GJ (2009 – $8.71/GJ), with delivery at various dates to October 2013 (2009 – October 2011), for a total commitment of $15.6 million (2009 – $19.3 million).

b) Litigation

The nature of the University's activities is such that there is usually litigation pending or in prospect at any one time. With respect to known claims at April 30, 2010, the University believes it has valid defences and appropriate insurance coverage in place. Therefore, such claims are not expected to have a material effect on the University's financial position. Should any additional losses occur, they would be charged to income in the year they can be estimated.

c) Canadian University Reciprocal Insurance Exchange ("CURIE")

The University participates in a reciprocal exchange of insurance risks in association with other Canadian universities. This self-insurance reciprocal, named CURIE, involves a subscriber agreement to share the insurable property and liability risks of member universities for a term of not less than five years. Plan members are required to pay annual deposit premiums, which are actuarially determined and expensed in the year. Plan members are subject to further assessment in proportion to their participation in the event premiums are insufficient to cover losses and expenses. As at December 31, 2009 and 2008, CURIE was fully funded.

d) Tri-universities Meson Facility ("TRIUMF")

The members of the TRIUMF joint venture and the Canadian Nuclear Safety Commission ("CNSC") approved a decommissioning plan which requires all members to be severally responsible for their share of the decommissioning costs, which were estimated at $44.0 million as at November 2007, as well as provide financial covenants to the CNSC for the amount of these costs. While there are no current intentions of decommissioning the facilities, the University's share was estimated at $4.0 million. TRIUMF has put in place a plan for funding the cost of decommissioning which does not require any payments from the joint venture partners.

e) Capital commitments

The estimated cost to complete committed capital projects at April 30, 2010 is approximately $93,923 (2009 – $32,292). These capital projects will be financed by government grants, internal funds, and fundraising.

21. COMPARATIVE FINANCIAL STATEMENTS

The comparative financial statements have been reclassified from statements previously presented to conform to the presentation of the 2010 financial statements.