Wilfrid Laurier University

Financial Statements
April 30, 2004

PRICEWATERHOUSECOOPERS

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July 16, 2004

Auditors' Report

To the Board of Governors of
Wilfrid Laurier University

We have audited the statement of financial position of **Wilfrid Laurier University** as at April 30, 2004 and the statements of operations, change in net assets and cash flows for the year then ended. These financial statements are the responsibility of the University's management. 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 management, 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, 2004 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

PricewaterhouseCoopers LLP

Chartered Accountants

Wilfrid Laurier University

Statement of Financial Position

As at April 30, 2004

(in thousands of dollars)

	2004 $	2003 $
Assets		
Current assets		
Restricted cash (note 22)	-	3,062
Short-term deposits	298	57
Accounts receivable (note 23)	13,248	7,868
Stocks, bonds, debentures and pooled funds (note 6)	2,985	2,578
Inventories	1,470	1,419
Prepaid expenses	1,879	1,653
Current portion of notes receivable (note 3)	155	154
	20,035	16,791
Long-term assets		
Notes receivable less current portion (note 3)	1,306	1,461
Deferred charges (note 4)	549	572
Deferred pension cost (note 5)	1,490	2,541
	3,345	4,574
Restricted assets		
Endowments –		
Cash and short-term investments	-	1,984
Stocks, bonds, debentures and pooled funds (note 6)	18,840	15,241
Hedge fund investment (note 6)	650	650
	19,490	17,875
Other –		
Restricted cash (note 22)	-	13,655
	19,490	31,530
Capital assets (notes 7 and 16)	194,047	162,058
Sinking fund investments	1,118	985
	195,165	163,043
Total assets	238,035	215,938

Wilfrid Laurier University

Statement of Financial Position …*continued*

As at April 30, 2004

(in thousands of dollars)

	2004 $	2003 $
Liabilities		
Current liabilities		
Bank indebtedness (note 23)	11,305	9,467
Accounts payable	11,087	13,624
Accrued vacation pay	2,844	2,643
Deferred revenue	9,344	7,343
Current portion of mortgages payable (note 8)	126	120
Current portion of term bank loans (note 9)	2,099	875
Current portion of other loans (note 10)	260	1,225
	37,065	35,297
Long-term liabilities		
Mortgages payable (note 8)	11,811	11,830
Term bank loans (note 9)	69,555	59,543
Other loans (note 10)	2,484	2,572
Post retirement benefits (note 5)	25,515	23,073
	109,365	97,018
Deferred contributions (note 11)	9,485	7,741
Deferred capital contributions (note 12)	57,582	50,277
Total liabilities	213,497	190,333
Net assets		
Unrestricted	(51,633)	(42,651)
Internally restricted (note 13)	2,476	1,172
Invested in capital assets (note 14)	54,205	49,209
Endowments (note 15)	19,490	17,875
Total net assets	24,538	25,605
Total liabilities and net assets	238,035	215,938

Signed on behalf of the Board of Governors

Wilfrid Laurier University

Statement of Operations

For the year ended April 30, 2004

(in thousands of dollars)

	2004 $	2003 $
Revenue		
Government grants	56,355	45,355
Student fees	72,740	59,292
Grants, contracts, and donations	4,461	2,752
Sales and service	17,054	13,733
Amortization of deferred capital contributions	3,020	2,665
Investment returns	1,816	582
Other revenues and additions	3,801	3,606
	159,247	127,985
Expenses		
Salaries	75,432	67,018
Benefits	20,085	16,029
Operating costs	22,645	20,470
Amortization of capital assets	10,173	8,619
Cost of goods sold	11,762	9,931
Taxes, utilities and rent	5,977	3,925
Scholarships and bursaries	10,115	8,202
Interest	5,672	3,629
Loss on disposal of capital assets	-	31
	161,861	137,854
Excess of expenses over revenue	(2,614)	(9,869)

Wilfrid Laurier University

Statement of Change in Net Assets

For the year ended April 30, 2004

(in thousands of dollars)

	Unrestricted $	Internally restricted $	Invested in capital assets $	Restricted for endowment $	2004 Total $	2003 Total $
Balance – Beginning of year	(42,651)	1,172	49,209	17,875	25,605	34,985
Excess of revenue over expenses (expenses over revenue)	4,539	-	(7,153)	-	(2,614)	(9,869)
Internally imposed restrictions	(1,372)	1,304	-	68	-	-
Net endowment contributions	-	-	-	1,547	1,547	489
Invested in capital assets	(12,149)	-	12,149	-	-	-
Balance – End of year	(51,633)	2,476	54,205	19,490	24,538	25,605

Wilfrid Laurier University

Statement of Cash Flows

For the year ended April 30, 2004

(in thousands of dollars)

	2004 $	2003 $
Cash provided by (used in)		
Operating activities		
Excess of expenses over revenue	(2,614)	(9,869)
Changes to earnings not involving cash		
Amortization of deferred capital contributions	(3,020)	(2,665)
Amortization of capital assets	10,173	8,619
Increase (decrease) in deferred contributions	1,744	(1,497)
Loss on disposal of capital assets	-	31
Decrease in deferred pension cost	1,051	2,563
Increase in post retirement benefits	2,442	2,175
Amortization of deferred charges	23	24
Net change in non-cash working capital (note 18)	(1,338)	6,563
	8,461	5,944
Financing and investing activities		
Endowments received – net	1,547	489
Decrease in notes receivable	154	128
Increase in term bank loans – net	11,236	43,246
Increase (decrease) in other loans	(1,053)	187
Purchase of capital assets (note 16)	(42,166)	(54,556)
Proceeds on sale of capital assets	4	-
Increase (decrease) in accounts payable related to capital assets	(4,654)	1,328
Increase in sinking fund investment	(133)	(121)
Increase in restricted endowment investments	(1,615)	(563)
Increase (decrease) in restricted cash	13,655	(13,655)
Decrease (increase) in stocks, bonds and debentures	(407)	2,608
Deferred capital contributions received	10,325	14,467
Decrease in mortgages – net	(13)	(113)
	(13,120)	(6,555)
Decrease in net cash position	(4,659)	(611)
Net cash position – Beginning of year	(6,348)	(5,737)
Net cash position – End of year	(11,007)	(6,348)
Net cash position consists of		
Bank indebtedness	(11,305)	(9,467)
Restricted cash	-	3,062
Short-term deposits	298	57
	(11,007)	(6,348)

(in thousands of dollars, except note 24)

1 Description

Wilfrid Laurier University was established in November 1973 as a fully provincially assisted university when Waterloo Lutheran University became Wilfrid Laurier University after Bill 178 "an Act respecting Wilfrid Laurier University" was given Royal Assent. The University is dedicated to the pursuit of learning through scholarly research, teaching, study, and artistic activity, all within a spirit of free inquiry.

These financial statements reflect the assets, liabilities, net assets, revenues, expenses, and other transactions related to the operation of the University. Accordingly, these financial statements include the academic, administrative, and other operating expenditures funded by fees, grants, and other general revenue, restricted purpose endowment funds and the ancillary operations such as residences, food service, bookstore, and parking.

Wilfrid Laurier University had an economic interest in a Crown foundation, Wilfrid Laurier University Foundation, which was not consolidated. The principal purpose of the Wilfrid Laurier University Foundation was to solicit, receive, and distribute monies to support the activities of the University. The Foundation was wound up on July 30, 2003.

Wilfrid Laurier University is a registered charity and as such is exempt from paying income taxes.

2 Accounting policies

Valuation of inventories

Inventories are valued at the lower of cost and net realizable value with cost being determined substantially on a first-in, first-out basis.

Capital assets

Capital assets include the original cost of land and land improvements, buildings, furniture and equipment, leasehold improvements and library books. The capital assets, excluding land, are amortized on a straight-line basis in accordance with the following schedule:

Category	Amortization Rate
Buildings	2 ½ – 10%
Furniture and equipment	10 – 33 1/3%
Leasehold improvements	10%
Library books	20%

The interest cost of debt attributable to the construction of major new facilities is capitalized during the construction period.

(in thousands of dollars, except note 24)

Valuation of stocks, bonds, debentures and pooled funds

All current stocks, bonds and debentures are recorded at lower of cost and market value. Restricted stocks, bonds and debentures and the hedge fund investment are recorded at cost, except where a decline in market value is considered to be other than temporary, in which case, the investment is recorded at market value. All investments in pooled funds are recorded at market value.

Art collection

The University maintains a collection of art work of cultural and historical significance. The collection is not capitalized but rather included in capital assets at nominal value on the statement of financial position. New acquisitions, substantially all received as gifts, are recorded as income and expense at their appraised value in the period received.

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. Unrestricted donations are recorded as received. Contributions externally restricted for purposes other than endowment or the acquisition of capital assets are deferred and recognized as revenue in the year in which the related expenses are recognized. Contributions restricted to the acquisition of capital assets having a limited life are initially recorded as deferred capital contributions in the period in which they are received. They are recognized as revenue over the useful life of the related assets. Endowment contributions are recognized as direct increases in net assets in the period in which they are received. Student fees are recognized as revenue when courses and seminars are held. Sales and services revenue is recognized at point of sale or when the service has been provided.

Pensions

The University has a pension plan which is available to full and part time faculty and staff. The plan is a money purchase plan with a minimum guarantee supplement based on the member's best five years of earnings.

Income is charged with the cost of benefits earned by employees as services are rendered. This cost reflects management’s best estimates of the pension plan’s salary escalations, mortality of members, terminations and the ages at which members will retire. Adjustments arising from plan amendments experience gains and losses and changes in assumptions are amortized over the estimated average remaining service life of the employee group to the extent those adjustments are greater than ten percent of the greater of the projected benefit obligation and the fair value of plan assets.

Post retirement benefits

The University provides dental and extended health care benefits for the retirees. These post retirement benefits are recognized using the current accrual method, by which income is charged with the cost of the benefits in the years in which the employees render the service giving then the right to receive such benefits.

(in thousands of dollars, except note 24)

Financial instruments

At April 30, 2004, the carrying amounts reported in the balance sheet for short-term deposits, accounts receivable, notes receivable, sinking fund investments, deferred pension cost, accounts payable, accrued vacation pay, term bank loans, other loans and post retirement benefits approximate fair market value. The market value of stock, bonds and debentures and hedge fund investment have been reported in note 6.

The carrying value and approximate fair market value of mortgages payable are $11,937 (note 8) and $14,706 respectively (2003 - $11,950 and $14,463).

Interest rate risk

The University has entered into interest rate swap contracts as part of its risk management strategy to minimize exposure to interest rate fluctuations. The interest rate swap contract involves an exchange of floating rate and fixed rate interest payments between the University and financial institutions. The swap transactions are completely independent from and have no direct effect on the relationship between the University and its lenders. The notional amount of the interest rate swap contracts outstanding at April 30, 2004 is detailed in note 9.

At April 30, 2004, the net unrecognized loss on these contracts was $6,239 (2003 - $5,514).

3 Notes receivable

The notes receivable are from the Wilfrid Laurier University Student Union and the Wilfrid Laurier University Graduate Student Association.

The details of the notes are as follows:

	2004 $	2003 $
Wilfrid Laurier University Students' Union		
5% note, repayable by quarterly payments of $55 including principal and interest, due November 1, 2011	1,381	1,524
Wilfrid Laurier University Graduate Student Association		
6% note, repayable by quarterly payments of $4 minimum, including principal and interest	80	91
	1,461	1,615
Less: Principal due within one year	155	154
	1,306	1,461

(in thousands of dollars, except note 24)

4 Deferred charges

Deferred charges are made up of deferred refinancing costs, and costs relating to arranging additional financing.

Financing costs, incurred on the issuance of debt, are deferred and charged against earnings over the term of the financing arrangements.

5 Deferred pension cost and post retirement benefits

	Pension 2004 $	Post Retirement Benefits 2004 $	Total 2004 $	Pension 2003 $	Post Retirement Benefits 2003 $	Total 2003 $
Projected benefit obligation	213,928	26,170	240,098	190,390	25,603	215,993
Fair value of plan assets	194,628	-	194,628	164,223	-	164,223
Funded status	(19,300)	(26,170)	(45,470)	(26,167)	(25,603)	(51,770)
Unrecognized net experience loss	20,790	12	20,802	28,708	1,889	30,597
Unrecognized past service costs	-	643	643	-	641	641
Prepaid (accrued) benefit cost recorded in the balance sheet	1,490	(25,515)	(24,025)	2,541	(23,073)	(20,532)
Weighted-average assumptions						
Discount rate	6.00%	6.00%		6.50%	6.50%	
Expected return on plan assets	6.50%	n/a		7.00%	n/a	
Rate of compensation increase	4.50%	n/a		5.00%	n/a	

For measurement purposes, a 7.5% annual increase in the per capita cost of health care benefits was assumed for 5 years, with a rate of 6.5% for five years thereafter, a rate of 5.5% for five years thereafter and a rate of 5% thereafter. A 4% annual increase in the cost of dental case benefits was also assumed.

(in thousands of dollars, except note 24)

	Pension 2004 $	Post Retirement Benefits 2004 $	Total 2004 $	Pension 2003 $	Post Retirement Benefits 2003 $	Total 2003 $
Benefit cost	6,943	2,970	9,913	5,747	2,661	8,408
Amortization of actuarial losses	803	-	803	-	-	-
Amortization of past service costs	-	58	58	-	59	59
Employer contributions	6,695	585	7,280	3,184	486	3,670
Plan participant contributions	5,456	-	5,456	4,075	-	4,075
Benefits paid	5,247	585	5,832	5,436	486	5,922
Lump sum settlements	4,977	-	4,977	1,393	-	1,393

6 Stocks, bonds, debentures, pooled funds and hedge fund investment

The carrying value and market value of stocks, bonds and debentures and pooled funds included in current assets as at April 30, 2004 is $2,985 and $3,249 respectively (2003 - $2,578 and $2,587). The cost and market value of stocks, bonds and debentures and pooled funds included in restricted assets as at April 30, 2004 is $18,840 and $18,868 respectively (2003 - $15,241 and $15,104).

The carrying value of the hedge fund investment units is $650, after a write-down in the 2002 fiscal year of $1,648 to the units' estimated market value. These units were received as a donation in December 1998, at a stated value of $2,298.

7 Capital assets

			2004			2003
	Cost $	Accumulated Amortization $	Net $	Cost $	Accumulated Amortization $	Net $
Land and land improvements	12,022	-	12,022	10,475	-	10,475
Buildings	198,878	39,194	159,684	147,614	35,722	111,892
Furniture and equipment	48,710	32,847	15,863	46,567	32,857	13,710
Leasehold improvements	1,313	587	726	1,313	325	988
Library books	18,325	14,036	4,289	16,375	12,522	3,853
Construction in progress	1,463	-	1,463	21,140	-	21,140
	280,711	86,664	194,047	243,484	81,426	162,058

Interest capitalized during the year amounted to $391 (2003 - $203).

(in thousands of dollars, except note 24)

8 Mortgages payable

Security	Rate	Due date	2004 $	2003 $
Bricker Street Residence	11.04%	November 1, 2010	10,000	10,000
Conrad Hall, A & B Wings	5 3/8%	January 1, 2012	151	167
Dining Hall, MacDonald House	5 1/8%	March 2, 2013	273	296
Willison Hall, Conrad Hall, C Wing	5 1/8%	January 1, 2013	333	360
Conrad Hall D Wing, Little House, Euler Residence, Leupold Residence, Dining Hall	5 3/8%	July 1, 2017	1,075	1,127
29 Bricker Avenue	3.75%	May 1, 2007	105	-
			11,937	11,950
Less: Principal payable within one year			126	120
			11,811	11,830

The aggregate amount of principal payments in each of the next five years to meet retirement provisions is as follows:

	$
Year ending April 30, 2005	126
2006	133
2007	140
2008	147
2009	155
Thereafter	11,236
	11,937

(in thousands of dollars, except note 24)

9 Term bank loans

	2004 $	2003 $
Bank loan, bearing interest at 6.5% repayable in blended quarterly payments of $345 due October 5, 2027	16,434	16,736
Bank loan, bearing interest at 6.7% repayable in blended quarterly payments of $385 due September 30, 2027	18,025	18,347
Bank loan, bearing interest at 6.9% repayable in blended quarterly payments of $285 due October 2, 2028	13,391	3,335
Bank loan, bearing interest at 6.0% repayable in blended monthly payments of $131 due September 1, 2033	21,834	22,000
Bank loan, bearing interest at prime, paid May 3, 2004	850	-
Bank loan, bearing interest at 5.96%, repayable in blended payments of $9, due September 30, 2008	1,120	-
	71,654	60,418
Less: Principal payable within one year	2,099	875
	69,555	59,543

The blended monthly payments of $345 on the 6.5% loan are a result of the University having entered into an interest rate swap agreement to convert floating rate debt to fixed rate debt until October 5, 2027.

The blended quarterly payments of $385 on the 6.7% loan are a result of the University having entered into an interest rate swap agreement to convert floating rate debt to fixed rate debt until September 30, 2027.

The blended quarterly payments of $285 on the 6.9% loan are a result of the University having entered into an interest rate swap agreement to convert floating rate debt to fixed rate debt until October 2, 2028.

The blended monthly payments of $131 on the 6.0% loan are a result of the University having entered into an interest rate swap agreement to convert floating rate debt to fixed rate debt until September 1, 2033.

The bank indebtedness and term bank loans for $16,434, $18,025 and $13,391 are secured by a collateral mortgage in the amount of $7,000 constituting a fixed charge on the lands and improvements located at Laurier Place; and a general assignment of rents with respect to Laurier Place.

The bank loan for $21,834 is secured by a collateral mortgage in the maximum principal amount of $50,000, creating a first ranking lien against the King Street residence and an assignment of the insurance policies relating to the residence.

(in thousands of dollars, except note 24)

The aggregate amount of principal payments in each of the next five years to meet retirement provisions is as follows:

	$
Year ending April 30, 2005	2,099
2006	1,327
2007	1,411
2008	1,497
2009	2,409
Thereafter	62,911
	71,654

10 Other loans

	2004 $	2003 $
Loan, bearing interest at 5.05%, due January 1, 2004	-	982
Interest free loan, forgiveable over a period of five years due September 1, 2004	-	246
Interest free loan, $640 forgiveable over a period of two years, and $222 repayable in annual payment of $80 due September 1, 2007	862	1,262
Energy savings loan, bearing interest at 7.5%, repayable in blended monthly payments of $21 due May 1, 2009	1,132	1,307
Interest free loan, forgiveable over a period of five years, beginning in 2005, due May 2009	750	-
	2,744	3,797
Less: Principal payable within one year	260	1,225
	2,484	2,572

(in thousands of dollars, except note 24)

The aggregate amount of principal payments in each of the next five years to meet retirement provision is as follows:

	$
Year ending April 30, 2005	260
2009	280
2007	282
2008	242
2009	267
Thereafter	1,413
	2,744

11 Deferred contributions

Deferred contributions which are subject to externally imposed restrictions consist of the following:

	2004 $	2003 $
Research grants	4,159	3,555
Scholarships and bursaries	2,045	1,844
Other amounts	3,281	2,342
	9,485	7,741

12 Deferred capital contributions

Deferred capital contributions consist of the unamortized amount of donations and grants received for the purchase of capital assets. These amounts are recorded as income of the University over the same period as the amortization expense for the specific capital asset. The change in the balance consists of the following:

	2004 $	2003 $
Balance – Beginning of year	50,277	38,475
Add: Contributions received during the year	10,325	14,467
Less: Amortization for the year	(3,020)	(2,665)
Balance – End of year	57,582	50,277

(in thousands of dollars, except note 24)

13 Internally restricted net assets

Details of the internally restricted net assets are as follows:

	2004 $	2003 $
Program development	640	640
Access to Opportunities Program	8	8
University Plan Initiatives	10	10
Food service	-	-
Residences	3	3
Endowment reserve	664	-
2004/2005 budget	342	-
Special pension appropriation	60	-
Major capital equipment	36	34
Capital levy	366	366
Repairs – operating	50	50
Operating budget stabilization reserve	297	61
	2,476	1,172

14 Invested in capital assets

Invested in capital assets consists of the following:

	2004 $	2003 $
Capital assets – net book value (see note 7)	194,047	162,058
Add: Sinking fund investments held to discharge long-term Debt	1,118	985
	195,165	163,043
Less: Amounts financed by long-term debt	86,335	76,165
Deferred capital contributions	57,582	50,277
Internal advances	(2,957)	(12,608)
	54,205	49,209

(in thousands of dollars, except note 24)

15 Endowments

Endowments include restricted donations received by the University and endowments restricted internally by the Board of Governors. The University endowment policy has the objective of protecting the value of the endowed principal by limiting spending of investment income earned on endowments. The balance of investment income is recorded as an increase in the endowment balance.

The details of the endowments are as follows:

	2004 $	2003 $
Endowments restricted externally	14,791	13,243
Endowments restricted internally	4,699	4,632
	19,490	17,875

The endowment earnings which include interest, dividends and realized gains and losses, and the disposition of these earnings can be summarized as follows:

Total earnings (loss)	1,888	(528)
Disposition of earnings		
Used to fund the academic development program	191	123
Used to fund endowed scholarships and bursaries	557	(659)
Used to increase the endowment balance	476	8
Used to establish the endowment reserve (note 13)	664	-
	1,888	(528)

(in thousands of dollars, except note 24)

16 Additions to capital assets

The additions to capital assets consist of the following:

	2004 $	2003 $
Waterloo Campus		
King Street residence	14,157	9,129
Bricker Academic building	7,708	6,008
Furniture and equipment	6,807	3,264
Science research building	5,320	3,268
Library books	1,950	1,640
House purchases	1,106	1,092
St. Jerome's High School	1,044	-
Residence Internet project	456	282
Alvin Woods building renovations	297	-
Northwest campus development	258	11,968
Waterloo College Hall	216	8,682
St. Michael's School renovations	97	82
Software Career services	82	82
Other	63	67
Food services renovations	32	3,211
Conrad Hall renovations	20	373
Parking lot construction	-	397
Student services building	-	380
	39,613	49,925
Brantford Campus		
Old Post House – Brantford	1,094	1,698
Grand River Hall – Brantford	745	1,850
Odeon Theatre Project – Brantford	714	-
Brantford Campus renovation costs	-	1,083
	2,553	4,631
	42,166	54,556

(in thousands of dollars, except note 24)

17 Insurance

The University entered into a reciprocal insurance arrangement with other Canadian universities and the Canadian University Reciprocal Insurance Exchange. The Exchange provides property and general liability insurance coverage and replaces the coverage previously obtained through commercial sources. The University is committed to a five year program which continues until January 1, 2008. During this time the University is obligated to share proportionately in gains or losses realized by the member universities.

The University insures its capital assets for the following amounts:

	$
Buildings	356,676
Furniture and equipment	52,420
Library books	177,064
Total	586,160

18 Statement of cash flows

The change in the non-cash working capital balances consists of the following:

	2004 $	2003 $
Accounts receivable	(5,380)	3,643
Inventories	(51)	(144)
Prepaid expenses	(226)	(783)
Deposit on purchase of capital assets	-	5
Accounts payable – net of amounts related to capital assets	2,117	1,306
Accrued vacation pay	201	540
Deferred revenue	2,001	1,996
	(1,338)	6,563

(in thousands of dollars, except note 24)

19 Ontario Student Opportunity Trust Fund – Phase 1

Externally restricted endowments include grants provided by the Government of Ontario from the Ontario Student Opportunity Trust Fund. Under the program the government matched funds raised by the University. The purpose of the program is to assist academically qualified individuals who, for financial reasons, would not otherwise be able to attend university.

	2004 $	2003 $
Schedule of Changes in Endowment Fund Balance for the year ended April 30, 2004		
Endowment balance – Beginning of year	5,123	5,026
Donations received	-	63
Investment income capitalized	179	34
Endowment balance – End of year	5,302	5,123
Schedule of Changes in Expendable Funds Available for Awards for the year ended April 30, 2004		
Expendable funds – Beginning of year	263	310
Investment income, net of direct investment related expenses	205	252
Interest recapitalized	5	(33)
Bursaries awarded (total number: 196)	(239)	(266)
Expendable funds – End of year	234	263

The market value of the endowment as at April 30, 2004 was $5,309.

20 Commitments

Costs to complete major capital projects in progress and commitments to purchase property as at April 30, 2004 are estimated to be $9,188 (2003 - $30,800) and will be financed primarily by government grants and borrowings.

(in thousands of dollars, except note 24)

21 Contingency

The University is the defendant in a number of legal proceedings. Claims against the University in these proceedings have not been reflected in these financial statements. It is the opinion of the administration that the resolution of these claims will not have a material effect on the financial position of the University.

Pay equity

The University and its employees have been ordered to settle a pay equity issue that has been outstanding since 1995. Although the outcome of this matter is not known, management has made an estimate of what it believes represents the minimum amount that will become payable to the employees, and this estimate has been recorded in these financial statements. The amount of the estimate has not been disclosed, as negotiations related to the matter are ongoing. Based on the nature of the matter and existing knowledge, it is reasonably possible that changes in future conditions in the near term could require a material change in the recognized amount. The difference between the recognized amount and the actual amount will be recorded in the period that the settlement of this matter is reached.

22 Restricted cash

At April 30, 2003, there was $16,717 of cash restricted for the construction of the King Street residence and accounts payable included $3,062 of costs related to this project. There are no such balances at April 30, 2004.

23 Accounts receivable

Included in accounts receivable is $1,418 (2003 - $902) due from the Waterloo Lutheran Seminary. Also included in accounts receivable is $5,635 representing funding for capital asset additions as part of the Superbuild Program. This has been pledged as security for the line of credit shown as bank indebtedness.

(in thousands of dollars, except note 24)

24 Public sector salary disclosure

In accordance with provisions of the Public Sector Salary Disclosure Act, the following employees of the University received salaries of $100,000 or more in the 2003 calendar year.

Name	Position	Salary $	Taxable Benefits $
Amoaku-Adu, Ben	Professor	138,774	612
Ashcroft, Ira	Professor	119,385	577
Athanassakos, George	Professor	129,393	567
Baetz, Mark	Professor	119,060	592
Banks, John	Associate Professor	114,805	563
Banks, William	Associate Professor	118,787	537
Bennett, Edward	Professor	120,819	612
Blackburn, James	Professor	115,203	639
Blenkhorn, David	Professor	121,448	616
Boots, Barry	Professor	122,448	619
Brown, Sharon	University Librarian	101,394	451
Brown, Steven	Associate Professor	106,013	506
Bulman-Fleming, Sydney	Assistant Dean	118,304	554
Butler, James	Vice-President	153,500	778
Cameron, J. Gary	Professor	117,825	597
Campbell, Robert	Dean	130,579	593
Carayannopoulos, Peter	Associate Professor	126,465	474
Carson, A. Scott	Dean	169,463	750
Cawsey, Thomas	Professor	135,087	622
Chau, Siu-Cheung	Professor	106,282	491
Christie, Laird	Associate Professor	108,476	523
Christy, Richard	Assistant Professor	122,372	503
Clarke, Juanne	Professor	111,532	601
Copp, Terry	Professor	123,582	626
Craig, Ron	Professor	124,719	584
Christi, F. Renato	Professor	104,742	530
Davis, J. Bradley	Associate Professor	100,858	415
De, Mitali	Associate Professor	136,607	499
De’ath, Leslie	Associate Professor	100,930	471
Deszca, Frederick	Professor	115,814	579
Dupuis, Ronald	Assistant Vice-President	121,654	611
Elliott, Richard	Associate Professor	104,678	530
Ellis, Robert	Associate Professor	117,490	550
Erb, Peter	Professor	117,171	594
Farlow, Stephen	Executive Director	126,826	564
Fine, Marshall	Professor	100,308	508
Friesen, Ilse	Professor	100,969	511
Fusco, Luke	Dean	141,934	652
Gillen, David	Professor	116,350	646
Gough, Barry	Professor	107,161	637
Govindarajan, J.	Executive Director	117,171	589

(in thousands of dollars, except note 24)

Name	Position	Salary $	Taxable Benefits $
Grimes, Ronald	Professor	117,575	596
Groarke, Leo	Dean	122,171	553
Guenther, Mathias	Professor	120,283	609
Harvey, Cheryl	Associate Professor	102,151	499
Hecht, Alfred	Professor	121,842	606
Heyer, Paul	Professor	104,383	530
Horton, Keith	Professor	105,880	510
Hueglin, Thomas	Professor	105,280	532
Irving, Gregory	Associate Professor	102,636	520
Iyogun, Paul	Professor	118,402	520
Jha, Shailendra	Associate Professor	100,148	446
Johnson, David	Professor	103,601	524
Keller, Gerald	Professor	103,104	520
Kelly, Mary	Assistant Professor	100,319	475
Kilgour, Joan	Associate Professor	105,799	537
Kilgour, Marc	Professor	122,336	618
Knight, Dean	Associate Professor	118,789	499
Kominar, R. John	Associate Professor	101,602	557
Kott, Edward	Professor	119,883	606
Laband, John	Professor	118,941	602
Lambert, Gary	Assistant Vice-President	114,637	577
Levesque, Terrence	Professor	112,079	519
Litke, Robert	Professor	111,260	537
Lorimer, Douglas	Associate Professor	110,238	557
Lorimer, Joyce	Associate Professor	101,512	513
Lyons, Andrew	Associate Professor	114,521	563
Marr, William	Professor	125,323	634
Mathieu, Robert	Associate Professor	104,215	473
McConomy, Bruce	Associate Professor	104,743	502
McCready, Douglas	Professor	130,544	609
McCutcheon, James	Associate Professor	128,909	564
McCutcheon, John	Associate Professor	127,321	557
McDougall, Gordon	Professor	135,843	622
McKillop, Ian	Associate Professor	120,061	491
McMenemy, John	Professor	133,654	597
McMurray, J. David	Dean	127,860	644
McNally, William	Associate Professor	120,800	483
McPherson, Barry	Professor	162,331	748
Menon, Kalyani	Assistant Professor	105,106	452
Miljan, Toivo	Professor	118,616	601
Millerd, Frank	Associate Professor	118,020	597
Moore, Michael	Professor	110,354	550
Morrison, Charles	Dean	119,292	540
Munro, Hugh	Professor	122,035	570
Nelson, Geoffrey	Professor	108,321	548
Noori, Hamid	Professor	135,495	629
Pancer, S. Mark	Professor	101,492	568

(in thousands of dollars, except note 24)

Name	Position	Salary $	Taxable Benefits $
Parker, Linda	Professor	109,889	579
Peirson, David	Associate Dean	127,035	557
Pratt, Michael	Professor	108,558	537
Preece, Rodney	Professor	122,962	622
Preece, Stephen	Associate Professor	101,932	456
Purves-Smith, Michael	Associate Professor	106,145	537
Ramsoomair, Franklin	Associate Professor	121,083	474
Read, Arthur	Professor	163,755	803
Reinhartz, Adele	Dean	123,345	550
Robertson, Alastair	Associate Professor	115,128	560
Rosehart, Robert	President	266,490	5,588
Rutherford, Jane	Associate Professor	108,156	451
Salatka, William	Associate Professor	112,094	499
Saunderson, Houston	Professor	114,460	580
Schaus, Gerald	Professor	103,747	526
Schnabel, Jacques	Professor	134,915	601
Seringhaus, F. H. Rolf	Professor	112,542	570
Sharma, P.	Associate Professor	109,952	475
Sharma, Sanjay	Associate Professor	119,311	516
Siklos, Pierre	Professor	114,098	578
Sinclair, Peter	Associate Professor	108,985	526
Smith, Brian	Professor	155,051	622
Smith, Rowland	Vice-President	192,384	941
Stack, Stephen	Associate Professor	114,037	577
Stephen, Arthur	Vice-President	144,200	714
Szabo, Arthur	Dean	143,353	658
Taggar, Simon	Associate Professor	103,832	503
Teall, Howard	Professor	132,026	560
Teram, Eli	Professor	103,515	522
Verduyn, Christl	Professor	107,560	530
Vincett, Paul	Professor	126,500	639
Wang, Edward	Professor	104,500	530
Warrack, Brian	Associate Professor	117,654	570
Westhues, P. Anne	Professor	112,173	567
Wigle, Randall	Professor	101,279	513
Witmer, Douglas	Executive Director	111,815	562
Wong, Philip	Assistant Vice-President	142,039	714
Ziss, Steffen	Associate Professor	100,233	451

25 Comparatives

Certain comparative figures have been reclassified to conform to the current year's financial statement presentations.