

Financial Statements of

**KING'S UNIVERSITY COLLEGE AT
THE UNIVERSITY OF WESTERN
ONTARIO**

Year ended April 30, 2008



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AUDITOR'S REPORT

To the Board of Directors

We have audited the statement of financial position of King's University College at The University of Western Ontario as at April 30, 2008 and the statements of operations, changes in fund balances, and cash flows for the year then ended. These financial statements are the responsibility of the College'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 College as at April 30, 2008, its operations, changes in its fund balances, and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Chartered Accountants, Licensed Public Accountants

London, Canada

July 4, 2008

KING'S UNIVERSITY COLLEGE AT THE UNIVERSITY OF WESTERN ONTARIO

Statement of Financial Position

April 30, 2008, with comparative figures for 2007

	Operating Fund	Capital	Restricted Other	2008 Total	2007 Total
Assets					
Current assets:					
Cash	\$ 1,546,657	\$ -	\$ -	\$ 1,546,657	\$ 1,401,593
Accounts receivable (note 3)	1,068,571	35,000	-	1,103,571	229,903
Investments (note 4)	9,802,731	2,652,227	-	12,454,958	13,711,879
Prepaid expenses	141,595	-	-	141,595	55,927
Interfund balances	1,022,248	(1,066,270)	44,022	-	-
	13,581,802	1,620,957	44,022	15,246,781	15,399,302
Capital assets (note 5)	-	25,967,373	-	25,967,373	22,691,621
Accrued pension asset (note 6)	-	-	3,252,700	3,252,700	1,528,900
	\$ 13,581,802	\$ 27,588,330	\$ 3,296,722	\$ 44,466,854	\$ 39,619,823
Liabilities and Fund Balances					
Current liabilities:					
Accounts payable and accrued liabilities	\$ 2,037,545	\$ -	\$ -	\$ 2,037,545	\$ 1,691,288
Due to King's College Foundation (note 7)	298,640	(64,894)	-	233,746	191,618
Deferred revenue	453,037	120,000	-	573,037	769,727
	2,789,222	55,106	-	2,844,328	2,652,633
Long-term debt (note 8)	-	3,500,000	-	3,500,000	3,500,000
Post-employment benefit liability (note 6)	5,914,000	-	-	5,914,000	4,571,000
Fund balances:					
Unrestricted	4,878,580	-	-	4,878,580	6,587,468
Investment in capital assets	-	22,467,374	-	22,467,374	19,191,621
Externally restricted	-	(499,972)	3,296,722	2,796,750	1,049,519
Internally restricted	-	2,065,822	-	2,065,822	2,067,582
	4,878,580	24,033,224	3,296,722	32,208,526	28,896,190
Commitments (note 11)					
	\$ 13,581,802	\$ 27,588,330	\$ 3,296,722	\$ 44,466,854	\$ 39,619,823

See accompanying notes to financial statements.

On behalf of the Board of Directors:

Director

Director

KING'S UNIVERSITY COLLEGE AT THE UNIVERSITY OF WESTERN ONTARIO

Statement of Operations

Year ended April 30, 2008, with comparative figures for 2007

	Operating Fund	Restricted Capital	Other	2008 Total	2007 Total
Revenue:					
Government grants	\$ 14,061,140	\$ 503,073	\$ 81,430	\$ 14,645,643	\$ 14,050,606
Tuition	18,550,301	-	-	18,550,301	18,126,568
Investment income	484,813	260,686	-	745,499	686,838
Donations	-	10,000	-	10,000	10,000
Gifts from King's College Foundation	273,969	85,394	-	359,363	244,558
Sundry	459,870	25	4,236	464,131	371,269
Ancillary operations	2,951,569	-	-	2,951,569	2,868,799
	<u>36,781,662</u>	<u>859,178</u>	<u>85,666</u>	<u>37,726,506</u>	<u>36,358,638</u>
Expenditures:					
Instructional	15,283,424	-	-	15,283,424	14,060,594
General and administrative	4,410,493	-	-	4,410,493	4,043,400
Service fee to The University of Western Ontario	2,512,587	-	-	2,512,587	2,370,916
Operation and maintenance of properties	2,278,856	250,413	-	2,529,269	2,073,602
Employee benefits	5,098,024	-	-	5,098,024	3,987,861
Amortization of capital assets	-	1,663,908	-	1,663,908	1,489,324
Mortgage and loan interest	-	320,950	-	320,950	376,870
Awards and research grants	-	-	127,129	127,129	73,885
Ancillary operations	2,468,386	-	-	2,468,386	2,338,066
	<u>32,051,770</u>	<u>2,235,271</u>	<u>127,129</u>	<u>34,414,170</u>	<u>30,814,518</u>
Excess (deficiency) of revenue over expenditures	4,729,892	(1,376,093)	(41,463)	3,312,336	5,544,120
Transfers	(6,438,780)	4,714,980	1,723,800	-	-
Net increase (decrease)	\$ (1,708,888)	\$ 3,338,887	\$ 1,682,337	\$ 3,312,336	\$ 5,544,120

See accompanying notes to financial statements.

KING'S UNIVERSITY COLLEGE AT THE UNIVERSITY OF WESTERN ONTARIO

Statement of Changes in Fund Balances

Year ended April 30, 2008, with comparative figures for 2007

	Operating Fund	Restricted Capital	Other	2008 Total	2007 Total
Fund balances, beginning of year, as previously reported	\$ 6,587,468	\$ 20,694,337	\$ 1,614,385	\$ 28,896,190	\$23,352,070
Net increase (decrease)	(1,708,888)	3,338,887	1,682,337	3,312,336	5,544,120
Fund balances, end of year	\$ 4,878,580	\$ 24,033,224	\$ 3,296,722	\$ 32,208,526	\$28,896,190

See accompanying notes to financial statements.

KING'S UNIVERSITY COLLEGE AT THE UNIVERSITY OF WESTERN ONTARIO

Statement of Cash Flows

Year ended April 30, 2008, with comparative figures for 2007

	Operating Fund	Restricted Capital	Other	2008 Total	2007 Total
Cash provided by (used in)					
Operating activities:					
Net increase (decrease)	\$ 4,729,892	\$ (1,376,093)	\$ (41,463)	\$ 3,312,336	\$ 5,544,120
Adjustments for:					
Transfers among funds	(6,438,780)	4,714,980	1,723,800	-	-
Amortization of capital assets	-	1,663,908	-	1,663,908	1,489,324
Increase (decrease) in non-cash working capital	336,344	197,552	(1,682,337)	(1,148,441)	2,906,713
	(1,372,544)	5,200,347	-	3,827,803	9,940,157
Financing and investing activities:					
Net change in investments	1,517,608	(260,687)	-	1,256,921	(3,062,630)
Purchase of capital assets	-	(5,190,073)	-	(5,190,073)	(4,160,237)
Write-off of capitalized items	-	250,413	-	250,413	
Repayment of long-term debt	-	-	-	-	(1,547,525)
	1,517,608	(5,200,347)	-	(3,682,739)	(8,770,392)
Net increase	145,064	-	-	145,064	1,169,765
Cash, beginning of year	1,401,593	-	-	1,401,593	231,828
Cash, end of year	\$ 1,546,657	\$ -	\$ -	\$ 1,546,657	\$ 1,401,593

See accompanying notes to financial statements.

KING'S UNIVERSITY COLLEGE AT THE UNIVERSITY OF WESTERN ONTARIO

Notes to Financial Statements

Year ended April 30, 2008

King's University College at The University of Western Ontario (the "College") is a Liberal Arts college providing post-secondary education programs in Arts, Social Sciences, and Social Work for over 3,000 students. The College is an unincorporated entity within The Roman Catholic Episcopal Corporation of the Diocese of London in Ontario.

1. Significant accounting policies:

(a) Fund accounting:

The financial statements of the College are maintained in accordance with the restricted fund method of accounting. Accordingly, all financial transactions have been recorded in two funds: Operating Fund and Restricted Funds.

The Operating Fund accounts for instructional, administrative and other operational costs financed by tuition, grants and investment income. This fund also accounts for revenue and expenditures related to ancillary operations of residence, food services, conferences and parking.

The Restricted Capital Fund accounts for the acquisition, amortization and disposal of capital assets. The Restricted Other Fund accounts for the receipt and expenditures of research funds and special purpose funds.

(b) Revenue recognition:

The College follows the deferral method of accounting for contributions, which include donations and government grants.

Operating grants are recorded as revenue in the period to which they relate. Grants approved but not received at the end of the year are accrued. Where a portion of a grant relates to a future year, it is deferred and recognized in the subsequent year.

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 are deferred and recognized as revenue in the year in which the related expenses are recognized. Contributions restricted for the purchase of capital assets are deferred, and when expended, are amortized into revenue, at a rate corresponding and the amortization rate for the related capital assets.

Gifts in kind are recorded at their fair market value.

(c) Investments and investment income:

Investments consist of readily marketable securities which are recorded at fair market value. Strip bonds are recorded at cost plus accrued interest in their effective yield.

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

Investment income, which consists of interest, and unrealized gains and losses on cash and short-term investments, is recorded as revenue in the statement of operations. Realized gains and losses are recorded as revenue in the statement of operations in the year that investments are sold.

KING'S UNIVERSITY COLLEGE AT THE UNIVERSITY OF WESTERN ONTARIO

Notes to Financial Statements (continued)

Year ended April 30, 2008

1. Significant accounting policies (continued):

(d) Capital assets:

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair market value at the date of contribution. Amortization is provided on a straight-line basis over the estimated useful life of buildings and on a declining balance basis for all other capital assets. Amortization rates are as follows:

Asset	Basis	Rate
Buildings	Straight-line	40 years
Parking lots	Declining balance	10%
Computer equipment	Declining balance	30%
Equipment and furnishings	Declining balance	20%
Library books	Declining balance	100%

Works of art are not amortized.

(e) Employee future benefits:

The College pension plan, covering full-time faculty, certain part-time faculty and certain non-teaching employees, is a defined benefit pension plan. The cost of pension benefits earned by employees is determined using the projected benefit method prorated on service and is expensed through the Operating Fund as services are rendered. This cost reflects management's best estimates of the pension plan's expected yields, salary escalations, mortality of members, termination and the ages at which members will retire. Differences arising from plan amendments, changes in assumptions and actuarial gains and losses are recognized in income over the expected average remaining service life of employees.

The pension plan requires that the College use surpluses to improve benefits.

Other employees participate in a group registered retirement savings plan.

The College accrues its obligations under employee defined benefit plans and other retirement benefits as the employees render the services necessary to earn them.

(f) Use of estimates:

The preparation of financial statements, in accordance with Canadian generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

KING'S UNIVERSITY COLLEGE AT THE UNIVERSITY OF WESTERN ONTARIO

Notes to Financial Statements (continued)

Year ended April 30, 2008

2. Changes in accounting policies:

On May 1, 2007, the College adopted the following new accounting standards issued by the Canadian Institute of Chartered Accountants:

- (a) Section 1506 – “*Accounting Changes*”, provides expanded disclosures for changes in accounting policies, accounting estimates and corrections of errors. Under the new standard, accounting changes should be applied retrospectively unless otherwise permitted or where impracticable to determine. As well, voluntary changes in accounting policy are made only when required to conform to Canadian generally accepted accounting policies, or the change results in more relevant and reliable information.
- (b) Section 3855, “*Financial Instruments - Recognition and Measurement*”, establishes standards for recognizing and measuring financial instruments, namely financial assets, financial liabilities and derivatives.
- (c) Section 3861, “*Financial Instruments - Disclosure and Presentation*”, establishes standards for presentation and disclosure of financial instruments, namely financial assets, financial liabilities and derivatives.
- (d) Section 3865, “*Hedges*”, establishes standards for when and how hedge accounting may be applied.
- (e) Section 4400, “*Financial Statement Presentation by Not-For-profit Organizations*”, amendments.

Under Section 3855, all financial instruments are initially recorded on the statement of financial position at fair value. They are subsequently valued at fair market value or amortized cost depending on the classification selected for the financial instrument. Financial assets are classified as either “held-for-trading”, “held-to-maturity”, “available-for-sale” or “loans and receivables” and financial liabilities are classified as either “held-for-trading” or “other liabilities”.

Financial assets and liabilities classified as held-for-trading are measured at fair value with changes in fair value recorded in the statement of operations. Financial assets classified as held-to-maturity or loans and receivables and financial liabilities classified as other liabilities are subsequently measured at amortized cost using the effective interest method. Available-for-sale financial assets that have a quoted price in active market are measured at fair value with changes in fair value recorded in changes in net assets (deferred contributions if the investment is externally restricted). Such gains or losses are reclassified to the statement of operations when the related financial asset is disposed of or when the decline in value is considered to be other than temporary.

KING'S UNIVERSITY COLLEGE AT THE UNIVERSITY OF WESTERN ONTARIO

Notes to Financial Statements (continued)

Year ended April 30, 2008

2. Changes in accounting policies (continued):

The College has classified its financial instruments as follows:

- (a) Cash and short-term investments or bank-indebtedness is classified as Held-for-Trading.
- (b) Accounts receivable is classified as Loans and Receivables.
- (c) Investments – Capital Fund are classified as Held-to-Maturity.
- (d) Investments – Operating Fund are classified as Held-for-Trading.
- (e) Accounts payable, accrued liabilities and current and long-term debt as Other Liability.

The College has elected to expense transaction costs related to financial instruments classified as other than held-for-trading and has elected to use trade date accounting for regular-way purchases and sales of financial assets.

There were no transitional adjustments on adoption of these standards. These accounting policy changes were adopted on a prospective basis with no restatement of prior period financial statements. The adoption of Sections 1506, 3855, 3861 and 3865 had no impact on the financial statements for the year ended April 30, 2008.

3. Accounts receivable:

	Operating Fund	Restricted Fund	2008 Total	2007 Total
Government grants receivable	\$ 883,040	\$ -	\$ 883,040	\$ -
Students	39,037	-	39,037	26,213
Other	169,325	35,000	204,325	214,917
	1,091,402	35,000	1,126,402	241,130
Allowance for doubtful accounts	22,831	-	22,831	11,227
	\$ 1,068,571	\$ 35,000	\$ 1,103,571	\$ 229,903

4. Investments:

	2008		2007	
	Carrying value	Fair value	Carrying value	Fair value
Short-term investments	\$ 9,802,731	\$ 9,802,731	\$ 11,320,339	\$ 11,320,339
Government strip bonds	2,652,227	3,014,152	2,391,540	2,840,518
	\$ 12,454,958	\$ 12,816,883	\$ 13,711,879	\$ 14,160,857

Short term investments are measured and recorded at fair value and the government strip bonds are measured at amortized cost using the effective interest method.

KING'S UNIVERSITY COLLEGE AT THE UNIVERSITY OF WESTERN ONTARIO

Notes to Financial Statements (continued)

Year ended April 30, 2008

4. Investments (continued):

The College has provided for the repayment of the majority of the principal of the 9.17% mortgage by the purchase of government strip bonds. These strip bonds have an effective yield of 10.9% compounded semi-annually and a maturity value as follows:

March 5, 2009	\$ 1,060,000
March 5, 2010	1,060,000
September 5, 2010	1,060,000
	\$ 3,180,000

5. Capital assets:

			2008	2007
	Cost	Accumulated amortization	Net book value	Net book value
Land	\$ 705,713	\$ -	\$ 705,713	\$ 705,713
Buildings	32,250,878	8,698,673	23,552,205	20,399,567
Parking lots	762,981	384,124	378,857	412,600
Computer equipment	2,859,989	2,173,144	686,845	502,623
Equipment and furnishings	4,452,556	3,845,651	606,905	655,188
Library books	5,851,241	5,851,241	-	-
Works of art	36,848	-	36,848	15,930
	\$ 46,920,206	\$ 20,952,833	\$ 25,967,373	\$ 22,691,621

KING'S UNIVERSITY COLLEGE AT THE UNIVERSITY OF WESTERN ONTARIO

Notes to Financial Statements (continued)

Year ended April 30, 2008

6. Employee future benefits:

The interval between actuarial valuations for the defined benefit pension plan does not exceed three years with the most recent valuation prepared as at December 31, 2006. In the years between valuations, an extrapolation of the actuarial valuation is used to determine the market related value of the plan assets and the projected benefit obligations.

	Pension Benefit Plans		Post-employment Plans	
	2008	2007	2008	2007
Accrued benefit obligation	\$ 26,201,500	\$ 26,904,600	\$ 7,129,000	\$ 7,858,000
Fair value of plan assets	28,357,500	25,654,900	-	-
Fund status, surplus (deficit)	\$ 2,156,000	\$ (1,249,700)	\$ (7,129,000)	\$ (7,858,000)
Accrued benefit asset (liability)	\$ 3,252,700	\$ 1,528,900	\$ (5,914,000)	\$ (4,571,000)

Accrued benefit obligation and fair value of plan assets includes \$482,100 in optional flexible contributions made by members of the Plan.

	Pension Benefit Plans		Post-employment Plans	
	2008	2007	2008	2007
Expense	\$ 967,600	\$ 824,100	\$ 1,443,000	\$ 976,000
Benefits paid	76,800	173,300	100,000	52,000

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

	Pension Benefit Plans		Post-employment Plans	
	2008	2007	2008	2007
Discount rate	5.25%	5.50%	5.25%	5.75%
Expected long-term rate of return of plan assets	6.25%	6.50%	-	-
Rate of compensation increase	4.50%	4.75%	-	-

The assumed health care cost trend is 10% per annum, grading to 5% per annum after five years.

KING'S UNIVERSITY COLLEGE AT THE UNIVERSITY OF WESTERN ONTARIO

Notes to Financial Statements (continued)

Year ended April 30, 2008

7. Transactions with King's College Foundation:

Revenues of King's College Foundation are received by and expenditures are paid by the College on behalf of the Foundation, giving rise to an on-going amount receivable from or payable to the Foundation.

The College provides a maximum subsidy of \$120,000 annually to assist in the operation of the Foundation.

The Foundation holds funds of \$5,417,699 (2007 - \$5,306,826), the benefit of which is to be used for the College.

8. Long-term debt:

	2008	2007
9.17% mortgage, interest only of \$160,475 payable semi-annually, maturing July 1, 2012	\$ 3,500,000	\$ 3,500,000
Less current portion	-	-
	\$ 3,500,000	\$ 3,500,000

9. Financial instruments:

(a) Fair values:

The carrying value of the College's short-term financial instruments, comprised of cash, accounts receivable, accounts payable and accrued liabilities, deferred revenue, and due to King's College Foundation, which, due to their short-term nature, approximate their fair value. The fair value of the long-term debt amounts has not been disclosed as the information is not readily available. Management believes that the fair values of these amounts are not significantly different than their carrying values.

(b) Risk management:

The College is exposed to interest rate risk with respect to its cash and investments. Changes in variable interest rates could cause unanticipated fluctuations in the College's operating results.

The College is subject to foreign exchange risk and interest rate risk with respect to its investment portfolio. Changes to interest rates could cause unanticipated fluctuations in operating results. The investments are currently in Canadian investments and are not subject to risk with respect to fluctuations in foreign exchange rates between Canadian dollars and other foreign currencies.

KING'S UNIVERSITY COLLEGE AT THE UNIVERSITY OF WESTERN ONTARIO

Notes to Financial Statements (continued)

Year ended April 30, 2008

10. Commitments under operating leases:

At April 30, 2008, the College has lease commitments for photocopiers and cars. Minimum annual lease payments not including operating expenses, due over the next five years and thereafter are expected to be as follows:

2009	\$	100,935
2010		75,949
2011		59,568
2012		32,921
2013		16,117
Thereafter		199

11. Commitments:

On June 15, 2005, the College signed a ten year agreement with Aramark Canada Ltd. whereby, in conjunction with their food service operations, Aramark shall invest a maximum of \$800,000 for the purchase and installation of equipment and facility improvements. At the end of the agreement, the purchased equipment shall be transferred to the College. In the event the College terminates the agreement during its term, the College has agreed to purchase the equipment from Aramark at a price equal to the undepreciated book value at the termination date.

In May 2008, the College entered into contracts totalling \$4 million with general contractors for renovations which are to be completed in future periods. The College has an outstanding letter of credit to The City of London relating to security for the construction of Labatt Hall in 2002.

12. Future changes in accounting policies:

(a) Capital disclosures:

In December 2006, the CICA issued a new handbook section, "1535 - *Capital Disclosures*", which establishes standards for disclosing information about an entity's capital and how it is managed. It requires the disclosure of information about an entity's objectives, policies and processes for managing capital. This new standard is effective for King's University College beginning May 1, 2008.

(b) Financial instruments:

In December 2006, the CICA issued a new handbook section, "3862 - *Financial Instruments – Disclosures*". The section requires entities to provide disclosures in the financial statements that enable users to evaluate the significance of financial instruments on the entity's financial position and its performance and the nature and extent of risks arising from financial instruments to which the entity is exposed during the period and at the balance sheet date, and how the entity manages those risks.

In December 2006, the CICA issued a new handbook section, "3863 - *Financial Instruments – Presentation*". This section establishes standards for the presentation of financial instruments and non-financial derivatives. It deals with the classification of financial instruments, from the perspective of the issuer, between liabilities and equities, the classification of related interest, dividends, losses and gains, and the circumstances in which financial assets and financial liabilities are offset.

The College is currently reviewing the impact of these new standards on the presentation of the 2009 financial statements.



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AUDITOR'S REPORT ON SUPPLEMENTARY INFORMATION

To the Board of Directors

We have audited and reported separately herein on the financial statements of King's University College at The University of Western Ontario as at and for the year ended April 30, 2008 in accordance with Canadian generally accepted auditing standards.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole in accordance with Canadian generally accepted accounting principles. The current year's supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, slightly slanted style. Below the signature is a long, horizontal, slightly curved line that underlines the text.

Chartered Accountants, Licensed Public Accountants

London, Canada

July 4, 2008

KING'S UNIVERSITY COLLEGE AT THE UNIVERSITY OF WESTERN ONTARIO

Schedule - Operating Fund

Year ended April 30, 2008, with comparative figures for 2007

	Operations		Ancillary		2008 Total	2007 Total
Revenue	\$	33,830,093	\$	2,951,569	36,781,662	\$ 35,157,933
Expenditures		29,583,384		2,468,386	32,051,770	28,874,439
Increase in fund balances before transfers		4,246,709		483,183	4,729,892	6,283,494
Transfer from Restricted Other Fund		(1,723,800)		-	(1,723,800)	439,400
Transfer to Restricted Capital Fund for acquisitions		(3,316,966)		(1,077,064)	(4,394,030)	(3,130,158)
Transfer to Restricted Capital Fund for long-term debt repayments		-		(320,950)	(320,950)	(1,222,122)
Net increase (decrease)		(794,057)		(914,831)	(1,708,888)	2,370,614
Fund balances, beginning of year		7,331,894		(744,426)	6,587,468	4,216,854
Fund balances, end of year	\$	6,537,837	\$	(1,659,257)	\$ 4,878,580	\$ 6,587,468

KING'S UNIVERSITY COLLEGE AT THE UNIVERSITY OF WESTERN ONTARIO

Schedule - Operating Fund Expenditures

Year ended April 30, 2008, with comparative figures for 2007

	2008	2007
Instructional:		
Salaries	\$ 12,089,458	\$ 11,041,001
Scholarships and bursaries	1,887,804	1,814,256
Research grants, learned society and guest lectures	285,261	234,750
Transportation and travel	308,681	265,532
Marking	126,978	98,693
Teaching program assistance	109,504	132,891
Office expenses	121,491	114,850
Telephone	19,452	16,029
Teaching aids	50,231	49,044
Small furnishings, equipment rentals and maintenance	9,409	10,861
Library supplies and binding	5,920	8,549
Memberships and dues	9,126	9,636
Interview and moving expenses	60,988	41,634
Sundry	199,121	222,868
	\$ 15,283,424	\$ 14,060,594
General and administrative:		
Office salaries	\$ 3,175,694	\$ 2,897,328
Telephone	72,306	58,575
Office supplies	114,777	125,812
Promotional material	137,998	120,602
Student counseling	21,550	17,350
Special events	35,671	31,472
Small furnishings, equipment rentals and maintenance	128,004	156,479
Liaison	101,280	90,896
Travel	45,338	32,613
Postage	75,657	77,772
Audit	33,875	19,821
College calendar	10,295	-
Centre for social concern, net	6,548	7,862
Chapel	65,849	54,211
Chapel social action fund	5,148	49
Membership fees	38,014	32,702
Legal fees	30,735	67,225
Bad debts	19,993	-
Sundry	279,161	240,031
King's College Foundation subsidy	120,000	120,000
Less internal cost recovery, ancillary operations	(107,400)	(107,400)
	\$ 4,410,493	\$ 4,043,400

KING'S UNIVERSITY COLLEGE AT THE UNIVERSITY OF WESTERN ONTARIO

Schedule - Operating Fund Expenditures (continued)

Year ended April 30, 2008, with comparative figures for 2007

	2008	2007
Operating and maintenance for property:		
Wages	\$ 1,219,380	\$ 1,142,938
Property taxes	237,525	230,175
Utilities	336,325	332,251
Repairs and renovations	307,750	225,548
Insurance	91,915	78,563
Supplies	62,737	43,828
Small furnishings, equipment rentals and maintenance	15,805	22,401
Sundry	30,260	20,739
Less internal cost recovery, ancillary operations	(22,841)	(22,841)
	\$ 2,278,856	\$ 2,073,602

KING'S UNIVERSITY COLLEGE AT THE UNIVERSITY OF WESTERN ONTARIO

Schedule - Revenue and Expenditures of Ancillary Operations

Year ended April 30, 2008, with comparative figures for 2007

	Residence and dining hall		Other	2008 Total	2007 Total			
Revenue:								
Residence and cafeteria fees	\$	2,524,941	\$	-	\$	2,524,941	\$	2,459,492
Licensed operations		-		25,631		25,631		13,793
Parking		-		180,971		180,971		206,905
Conferences		-		98,383		98,383		79,749
Sundry		8,109		113,534		121,643		108,860
		2,533,050		418,519		2,951,569		2,868,799
Expenditures:								
Food services		978,567		48,802		1,027,369		979,808
Salaries and wages		728,029		71,260		799,289		715,054
Utilities		211,776		10,148		221,924		207,577
Repairs and maintenance		89,811		12,837		102,648		125,370
Liquor, beer, wine and supplies		-		10,629		10,629		8,409
Laundry		-		3,838		3,838		5,720
Cleaning supplies		42,796		-		42,796		36,087
Small furnishings and supplies		5,615		-		5,615		30,619
Sundry		60,354		26,993		87,347		62,491
Internal cost allocation:						-		
General and administrative		103,355		4,045		107,400		107,400
Plant		18,797		4,044		22,841		22,841
Employee benefits		36,690		-		36,690		36,690
		2,275,790		192,596		2,468,386		2,338,066
Excess of revenue over expenditures	\$	257,260	\$	225,923	\$	483,183	\$	530,733

KING'S UNIVERSITY COLLEGE AT THE UNIVERSITY OF WESTERN ONTARIO

Schedule - Investment in Capital Assets

Year ended April 30, 2008, with comparative figures for 2007

	2008	2007
Balance, beginning of year	\$ 19,191,621	\$ 14,973,182
Principal repayments on long-term debt from Operating Fund	-	845,252
Principal repayments on long-term debt paid by Restricted Capital Fund	-	702,273
Capital funds expended on buildings and installed equipment	796,043	1,030,080
Operating funds expended on furniture, equipment and library books	4,387,290	3,118,543
Gifts in kind from King's College Foundation	6,740	11,615
Less: Write-offs	(250,412)	-
	24,131,282	20,680,945
Amortization of capital assets	(1,663,908)	(1,489,324)
Balance, end of year	\$ 22,467,374	\$ 19,191,621

KING'S UNIVERSITY COLLEGE AT THE UNIVERSITY OF WESTERN ONTARIO

Schedule - Restricted Capital Fund

Year ended April 30, 2008

	Balance, beginning of year	Grants and other revenues	Expenditures	Transfers	Balance, end of year
Externally restricted:					
Academic Centre	\$ (564,866)	\$ 64,894	\$ -	\$ -	\$ (499,972)
Internally restricted:					
General	(323,359)	30,525	292,971	-	(585,805)
Residence	2,390,941	260,686	-	-	2,651,627
	2,067,582	291,211	292,971	-	2,065,822
	\$ 1,502,716	\$ 356,105	\$ 292,971	\$ -	\$ 1,565,850

**KING'S UNIVERSITY COLLEGE AT THE UNIVERSITY OF WESTERN
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Schedule - Restricted Other Fund

Year ended April 30, 2008

	Balance, beginning of year	Grants and other revenues	Expenditures	Transfers	Balance, end of year
Externally restricted:					
Research	\$ 85,485	\$ 81,430	\$ 127,129	\$ 4,236	\$ 44,022
Pension	1,528,900	-	-	1,723,800	3,252,700
	\$ 1,614,385	\$ 81,430	\$ 127,129	\$ 1,728,036	\$ 3,296,722

KING'S COLLEGE FOUNDATION

Schedule - Ontario Trust for Student Support (OTSS)

Year ended April 30, 2008

		OTSS	Total
Changes in Endowment Fund balance:			
Fund balance, beginning of year	\$	1,803,612	\$ 1,803,612
Cash donations received		513,458	513,458
Transfers		15,906	
Fund balance, end of year	\$	2,332,976	\$ 2,317,070
Changes in Expendable			
Funds available for awards:			
Balance, beginning of year	\$	75,393	\$ 75,393
Investment income, net of direct investment-related expenses and preservation of capital contributions		83,004	83,004
Bursaries awarded - 33 (2007 - 2)		(49,446)	(49,446)
Transfers		(720)	(720)
Balance, end of year	\$	108,231	\$ 108,231