

Financial Statements of

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

Year ended April 30, 2006



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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, 2006 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, 2006, its operations, changes in its fund balances, and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

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 horizontal line that starts under the 'K' and ends under the 'P'.

Chartered Accountants

London, Canada

August 11, 2006

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

Statement of Financial Position

April 30, 2006, with comparative figures for 2005

	Operating Fund	Restricted Capital	Other	2006 Total	2005 Total
Assets					
Current assets:					
Cash	\$ 231,828	\$ -	\$ -	\$ 231,828	\$ 639,868
Accounts receivable (note 2)	2,115,041	-	-	2,115,041	2,371,174
Investments (note 3)	8,492,905	2,156,344	-	10,649,249	5,979,612
Prepaid expenses	42,726	-	-	42,726	45,800
Interfund balances	49,250	(133,430)	84,180	-	-
	10,931,750	2,022,914	84,180	13,038,844	9,036,454
Capital assets (note 4)	-	20,020,708	-	20,020,708	18,805,841
Accrued pension asset (note 5)	-	-	1,968,300	1,968,300	2,359,300
	\$ 10,931,750	\$ 22,043,622	\$ 2,052,480	\$ 35,027,852	\$ 30,201,595
Liabilities and Fund Balances					
Current liabilities:					
Accounts payable and accrued liabilities	\$ 1,440,816	\$ -	\$ -	\$ 1,440,816	\$ 1,178,525
Due to King's College Foundation (note 6)	1,015,929	(86,639)	-	929,290	77,162
Deferred revenue	611,151	-	-	611,151	596,727
Current portion of long-term debt (note 7)	-	1,547,525	-	1,547,525	397,742
	3,067,896	1,460,886	-	4,528,782	2,250,156
Long-term debt (note 7)	-	3,500,000	-	3,500,000	6,165,262
Post-employment benefit liability (note 5)	3,647,000	-	-	3,647,000	2,809,000
Fund balances:					
Unrestricted	4,216,854	-	-	4,216,854	2,468,364
Investment in capital assets	-	14,973,182	-	14,973,182	12,242,836
Externally restricted	-	85,004	2,052,480	2,137,484	2,759,010
Internally restricted	-	2,024,550	-	2,024,550	1,506,967
	4,216,854	17,082,736	2,052,480	23,352,070	18,977,177
	\$ 10,931,750	\$ 22,043,622	\$ 2,052,480	\$ 35,027,852	\$ 30,201,595

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, 2006, with comparative figures for 2005

	Operating Fund	Capital	Restricted Other	2006 Total	2005 Total
Revenue:					
Government grants	\$ 11,734,116	\$ 86,785	\$ 92,129	\$ 11,913,030	\$ 9,476,770
Tuition	17,006,976	-	-	17,006,976	15,685,319
Investment income	241,480	212,200	-	453,680	313,916
Gifts from King's College Foundation	73,441	86,639	-	160,080	1,051,439
Sundry	274,807	753	-	275,560	248,943
Ancillary operations	2,679,328	-	-	2,679,328	2,535,055
	32,010,148	386,377	92,129	32,488,654	29,311,442
Expenditures:					
Instructional	12,586,801	-	-	12,586,801	11,082,567
General and administrative	3,684,349	-	-	3,684,349	3,343,507
Service fee to The University of Western Ontario	2,150,069	-	-	2,150,069	1,977,692
Operation and maintenance of properties	1,947,381	-	-	1,947,381	1,845,971
Employee benefits	3,714,453	-	-	3,714,453	3,283,908
Amortization of capital assets	-	1,414,725	-	1,414,725	1,319,009
Mortgage and loan interest	-	410,462	-	410,462	466,963
Awards and research grants	-	-	32,214	32,214	15,097
Ancillary operations	2,173,307	-	-	2,173,307	2,005,947
	26,256,360	1,825,187	32,214	28,113,761	25,340,661
Excess (deficiency) of revenue over expenditures	5,753,788	(1,438,810)	59,915	4,374,893	3,970,781
Transfers	(4,005,298)	4,396,298	(391,000)	-	-
Net increase (decrease)	\$ 1,748,490	\$ 2,957,488	\$ (331,085)	\$ 4,374,893	\$ 3,970,781

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, 2006, with comparative figures for 2005

	Operating	Restricted		2006	2005
	Fund	Capital	Other	Total	Total
Fund balances, beginning of year, as previously reported	\$ 2,468,364	\$ 14,125,248	\$ 2,383,565	\$ 18,977,177	\$ 15,006,396
Net increase (decrease)	1,748,490	2,957,488	(331,085)	4,374,893	3,970,781
Fund balances, end of year	\$ 4,216,854	\$ 17,082,736	\$ 2,052,480	\$ 23,352,070	\$ 18,977,177

See accompanying notes to financial statements.

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

Statement of Cash Flows

Year ended April 30, 2006, with comparative figures for 2005

	Operating Fund	Restricted Capital	Other	2006 Total	2005 Total
Cash provided by (used in)					
Operating activities:					
Net increase (decrease)	\$ 1,748,490	\$ 2,957,488	\$ (331,085)	\$ 4,374,893	\$ 3,970,781
Adjustments for:					
Gifts in kind	-	-	-	-	(20,330)
Amortization of capital assets	-	1,414,725	-	1,414,725	1,319,009
Increase (decrease in non-cash working capital)	2,300,908	(14,942)	331,085	2,617,051	(882,849)
	4,049,398	4,357,271	-	8,406,669	4,386,611
Financing and investing activities:					
Net change in investments	(4,457,438)	(212,200)	-	(4,669,638)	(625,916)
Purchase of capital assets	-	(2,629,592)	-	(2,629,592)	(2,555,534)
Advancement of long-term debt	-	-	-	-	-
Repayment of long-term debt	-	(1,515,479)	-	(1,515,479)	(885,827)
	(4,457,438)	(4,357,271)	-	(8,814,709)	(4,067,277)
Net increase (decrease)	(408,040)	-	-	(408,040)	319,334
Cash, beginning of year	639,868	-	-	639,868	320,534
Cash, end of year	\$ 231,828	\$ -	\$ -	\$ 231,828	\$ 639,868

See accompanying notes to financial statements.

KING'S UNIVERSITY COLLEGE AT THE UNIVERSITY OF WESTERN ONTARIO

Notes to Financial Statements

Year ended April 30, 2006

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 owned and operated by The Roman Catholic Episcopal Corporation of the Diocese of London in Ontario.

1. Significant accounting policy:

(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:

Government grants are recorded as revenue in the period to which they related. 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.

Gifts in kind are recorded at their fair market value.

(c) Investments:

Investments consist of readily marketable securities which are carried at the lower of cost and net realizable value. Strip bonds are recorded at cost plus accrued interest in their effective yield.

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

Notes to Financial Statements (continued)

Year ended April 30, 2006

1. Significant accounting policy (continued):

(d) Capital assets:

Purchases of 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. Proceeds of disposals are credited to 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.

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

Notes to Financial Statements (continued)

Year ended April 30, 2006

1. Significant accounting policy (continued):

(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.

2. Accounts receivable:

	Operating Fund	Restricted Fund	2006 Total	2005 Total
Government grants receivable	\$ 1,937,549	\$ -	\$ 1,937,549	\$ 2,199,912
Students	23,841	-	23,841	51,457
Other	169,570	-	169,570	137,642
	2,130,960	-	2,130,960	2,389,011
Allowance for doubtful accounts	15,919	-	15,919	17,837
	\$ 2,115,041	\$ -	\$ 2,115,041	\$ 2,371,174

3. Investments:

	2006		2005	
	Cost	Market value	Cost	Market value
Short-term investments	\$ 8,492,905	\$ 8,529,239	\$ 4,035,467	\$ 4,040,056
Government strip bonds	2,156,344	2,711,905	1,944,145	2,658,953
	\$ 10,649,249	\$ 11,241,144	\$ 5,979,612	\$ 6,699,009

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

Notes to Financial Statements (continued)

Year ended April 30, 2006

3. 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

4. Capital assets:

			2006	2005
	Cost	Accumulated amortization	Net book value	Net book value
Land	\$ 405,713	\$ -	\$ 405,713	\$ 405,713
Buildings	25,293,495	7,287,524	18,005,971	16,775,901
Parking lots	599,570	296,184	303,386	324,700
Computer equipment	2,267,980	1,706,515	561,465	446,573
Equipment and furnishings	4,260,005	3,531,762	728,243	837,024
Library books	5,160,074	5,160,074	-	-
Works of art	15,930	-	15,930	15,930
	\$ 38,002,767	\$ 17,982,059	\$ 20,020,708	\$ 18,805,841

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

Notes to Financial Statements (continued)

Year ended April 30, 2006

5. 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 January 1, 2004. 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	
	2006	2005	2006	2005
Accrued benefit obligation	\$ 21,844,600	\$ 20,377,400	\$ 6,458,000	\$ 5,537,000
Fair value of plan assets	22,625,600	21,186,100	-	-
Fund status, surplus (deficit)	\$ 781,000	\$ 808,700	\$ (6,458,000)	\$ (5,537,000)
Accrued benefit asset (liability)	\$ 1,968,300	\$ 2,359,300	\$ (3,647,000)	\$ (2,809,000)

Accrued benefit obligation and fair value of plan assets includes \$370,400 in optional flexible contributions made by members of the Plan.

	Pension Benefit Plans		Post-employment Plans	
	2006	2005	2006	2005
Expense	\$ 775,700	\$ 663,800	\$ 885,000	\$ 766,000
Benefits paid	1,003,900	2,386,400	47,000	36,000

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

Notes to Financial Statements (continued)

Year ended April 30, 2006

5. Employee future benefits (continued):

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

	Pension Benefit Plans		Post-employment Plans	
	2006	2005	2006	2005
Discount rate	5.50%	6.00%	5.75%	6.00%
Expected long-term rate of return of plan assets	6.50%	6.00%	-	-
Rate of compensation increase	4.75%	4.25%	-	-

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

6. 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 \$70,000 to assist in the operation of the Foundation. In 2007, this subsidy will be increased to a maximum of \$120,000.

The Foundation holds funds of \$4,182,165 (2005 - \$3,146,649), the benefit of which is to be used for the College.

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

Notes to Financial Statements (continued)

Year ended April 30, 2006

7. Long-term debt:

	2006	2005
4.21% term loan, payable \$6,818 monthly plus interest, maturing November 30, 2006	\$ 702,273	\$ 784,091
5.54% term loan, payable \$5,548 monthly including interest, maturing May 31, 2010	845,252	864,420
9.17% mortgage, interest only of \$160,475 payable semi-annually, maturing July 1, 2012	3,500,000	3,500,000
3.77% term loan, payable \$2,273 monthly plus interest, maturing November 30, 2005	-	261,364
6.2% term loan, payable \$8,700 monthly including interest, maturing November 30, 2005	-	1,153,129
	5,047,525	6,563,004
Less current portion	1,547,525	397,742
	\$ 3,500,000	\$ 6,165,262

Subsequent to year-end the College repaid the 5.54% term loan with penalty and accordingly that amount has been included in current portion of long-term debt.

Required future principal repayments are as follows:

2007	\$ 1,547,525
2008	-
2009	-
2010	-
2011	-
Thereafter	3,500,000

8. Financial instruments:

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 are carried at cost, 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.

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

Notes to Financial Statements (continued)

Year ended April 30, 2006

9. Commitments under operating leases:

At April 30, 2006, the College has lease commitments for photocopiers and cars. Minimum annual lease payments not including operating expenses, due over the next five years are expected to be as follows:

2007	\$	54,710
2008		54,710
2009		44,160
2010		29,249
2011		28,035

10. Commitment:

On June 15, 2005 the College signed a 10 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.

11. Comparative figures:

Certain of the prior period's figures have been reclassified to conform to the current year presentation.



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AUDITOR'S REPORT ON SUPPLEMENTARY INFORMATION

To the Board of Directors

We have audited and reported separately herein on the consolidated financial statements of King's University College at The University of Western Ontario as at and for the year ended April 30, 2006 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.

Chartered Accountants

London, Canada

August 11, 2006

KING'S UNIVERSITY COLLEGE AT THE UNIVERSITY OF WESTERN ONTARIO

Schedule - Operating Fund

Year ended April 30, 2006, with comparative figures for 2005

	Operations		Ancillary		2006 Total	2005 Total
Revenue	\$	29,330,820	\$	2,679,328	\$ 32,010,148	\$ 27,601,204
Expenditures		24,083,053		2,173,307	26,256,360	23,539,592
Increase in fund balances before transfers		5,247,767		506,021	5,753,788	4,061,612
Transfer from Restricted Other Fund		391,000		-	391,000	403,800
Transfer to Restricted Capital Fund for acquisitions		(2,334,678)		(174,231)	(2,508,909)	(1,974,301)
Transfer to Restricted Capital Fund for long-term debt repayments		(981,308)		(601,451)	(1,582,759)	(858,849)
Transfer to Restricted Capital Fund		(141,016)		(163,614)	(304,630)	(82,269)
Net increase (decrease)		2,181,765		(433,275)	1,748,490	1,549,993
Fund balances, beginning of year		1,471,125		997,239	2,468,364	918,371
Fund balances, end of year	\$	3,652,890	\$	563,964	\$ 4,216,854	\$ 2,468,364

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

Schedule - Operating Fund Expenditures

Year ended April 30, 2006, with comparative figures for 2005

	2006	2005
Instructional:		
Salaries	\$ 9,803,528	\$ 8,751,722
Scholarships and bursaries	1,748,533	1,373,782
Research grants, learned society and guest lectures	186,294	176,552
Transportation and travel	274,889	191,762
Marking	75,445	91,378
Teaching program assistance	122,481	112,167
Office expenses	108,636	97,050
Telephone	14,229	15,410
Teaching aids	31,940	28,417
Small furnishings, equipment rentals and maintenance	12,678	12,579
Library supplies and binding	19,088	27,232
Memberships and dues	9,601	9,093
Interview and moving expenses	20,283	20,747
Sundry	159,176	174,676
	<u>\$ 12,586,801</u>	<u>\$ 11,082,567</u>
General and administrative:		
Office salaries	\$ 2,700,513	\$ 2,440,822
Telephone	59,492	53,997
Office supplies	83,244	110,237
Promotional material	118,233	101,193
Student counseling	15,650	13,225
Special events	23,493	20,458
Small furnishings, equipment rentals and maintenance	154,475	154,907
Liaison	89,467	75,933
Travel	29,273	23,954
Postage	37,538	52,655
Audit	44,044	30,488
College calendar	10,034	8,825
Centre for social concern, net	7,326	8,039
Chapel	20,575	15,885
Chapel social action fund	130	-
Membership fees	27,522	26,360
Legal fees	18,038	28,496
Name change and branding	2,396	11,720
Bad debts	24,917	-
Sundry	195,389	184,740
King's College Foundation subsidy	70,000	70,000
King's College Foundation donation	60,000	-
Less internal cost recovery, ancillary operations	(107,400)	(88,427)
	<u>\$ 3,684,349</u>	<u>\$ 3,343,507</u>

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

Schedule - Operating Fund Expenditures (continued)

Year ended April 30, 2006, with comparative figures for 2005

	2006	2005
Operating and maintenance for property:		
Wages	\$ 1,111,903	\$ 980,151
Property taxes	215,550	202,350
Utilities	313,426	293,918
Repairs and renovations	160,490	204,253
Insurance	103,130	112,862
Supplies	29,898	37,278
Small furnishings, equipment rentals and maintenance	17,198	17,011
Sundry	18,627	20,989
Less internal cost recovery, ancillary operations	(22,841)	(22,841)
	<u>\$ 1,947,381</u>	<u>\$ 1,845,971</u>

KING'S UNIVERSITY COLLEGE AT THE UNIVERSITY OF WESTERN ONTARIO

Schedule - Revenue and Expenditures of Ancillary Operations

Year ended April 30, 2006, with comparative figures for 2005

	Residence and dining hall	Other	2006 Total	2005 Total
Revenue:				
Residence and cafeteria fees	\$ 2,289,729	\$ -	\$ 2,289,729	\$ 2,210,385
Licensed operations	-	12,672	12,672	12,935
Parking	-	208,186	208,186	190,344
Conferences	-	105,936	105,936	68,131
Sundry	7,571	55,234	62,805	53,260
	<u>2,297,300</u>	<u>382,028</u>	<u>2,679,328</u>	<u>2,535,055</u>
Expenditures:				
Food services	895,454	58,986	954,440	904,920
Salaries and wages	550,545	61,816	612,361	572,874
Utilities	198,576	11,048	209,624	183,434
Repairs and maintenance	57,600	22,238	79,838	115,682
Liquor beer, wine and supplies	-	7,611	7,611	7,770
Laundry	-	3,378	3,378	1,598
Cleaning supplies	42,102	-	42,102	28,351
Small furnishings and supplies	42,292	-	42,292	3,325
Sundry	47,788	6,942	54,730	40,035
Internal cost allocation:				
General and administrative	103,355	4,045	107,400	88,427
Plant	18,797	4,044	22,841	22,841
Employee benefits	36,690	-	36,690	36,690
	<u>1,993,199</u>	<u>180,108</u>	<u>2,173,307</u>	<u>2,005,947</u>
Excess of revenue over expenditures	\$ 304,101	\$ 201,920	\$ 506,021	\$ 529,108

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

Schedule - Investment in Capital Assets

Year ended April 30, 2006, with comparative figures for 2005

	2006	2005
Balance, beginning of year	\$ 12,242,836	\$ 10,100,155
Principal repayments on long-term debt from Operating Fund	1,172,297	391,886
Principal repayments on long-term debt paid by Restricted Capital Fund	343,182	493,940
Capital funds expended on buildings and installed equipment	120,683	581,233
Operating funds expended on furniture, equipment and library books	2,507,518	1,974,301
Gifts in kind from King's College Foundation	1,391	20,330
	16,387,907	13,561,845
Amortization of capital assets	(1,414,725)	(1,319,009)
Balance, end of year	\$ 14,973,182	\$ 12,242,836

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

Schedule - Restricted Capital Fund

Year ended April 30, 2006

	Balance, beginning of year	Grants and other revenues	Expenditures	Transfers	Balance, end of year
Externally restricted:					
Academic Centre	\$ 375,445	\$ 86,639	\$ (33,898)	\$ (343,182)	\$ 85,004
Internally restricted:					
General	(436,578)	87,538	(86,785)	304,630	(131,195)
Residence	1,943,545	212,200	-	-	2,155,745
	1,506,967	299,738	(86,785)	304,630	2,024,550
	\$ 1,882,412	\$ 386,377	\$ (120,683)	\$ (38,552)	\$ 2,109,554

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

Schedule - Restricted Other Fund

Year ended April 30, 2006

	Balance, beginning of year	Grants and other revenues	Expenditures	Transfers	Balance, end of year
Externally restricted:					
Research	\$ 24,265	\$ 92,129	\$ (32,214)	\$ -	\$ 84,180
Pension	2,359,300	-	-	(391,000)	1,968,300
	<u>\$ 2,383,565</u>	<u>\$ 92,129</u>	<u>\$ (32,214)</u>	<u>\$ (391,000)</u>	<u>\$ 2,052,480</u>