

Consolidated Financial Statements of

**LAURENTIAN UNIVERSITY
OF SUDBURY**

Year ended April 30, 2010



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AUDITORS' REPORT TO THE GOVERNORS

We have audited the following consolidated financial statements of **Laurentian University of Sudbury** as at April 30, 2010 and for the year then ended:

Consolidated Statement of Financial Position
Consolidated Statement of Operations
Consolidated Statement of Changes in Net Assets
Consolidated Statement of Cash Flows

These consolidated financial statements are the responsibility of the University's management. Our responsibility is to express an opinion on these consolidated 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 consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall consolidated financial statement presentation.

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

Chartered Accountants, Licensed Public Accountants

Sudbury, Canada
July 31, 2010

LAURENTIAN UNIVERSITY OF SUDBURY

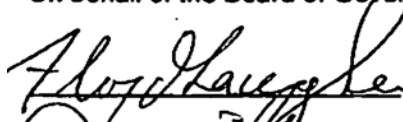
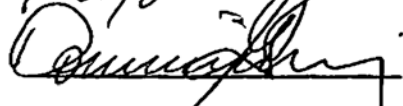
Consolidated Statement of Financial Position

April 30, 2010, with comparative figures for 2009
(thousands of dollars)

	2010	2009
Assets		
Current assets:		
Cash and short-term investments	\$ 30,957	48,856
Accounts receivable	14,434	14,697
Other	666	448
	46,057	64,001
Investments (note 2)	32,107	23,027
Deferred pension asset (note 3)	99	2,124
Capital assets (note 4)	128,421	115,458
	\$ 206,684	204,610
Liabilities, Deferred Contributions and Net Assets		
Current liabilities:		
Short-term loan (note 5)	\$ 18,261	18,263
Accounts payable and accrued liabilities	19,671	20,333
Accrued vacation pay	1,355	1,338
Deferred revenue	1,851	2,313
Current portion of long-term debt (note 6)	518	450
	41,656	42,697
Long-term obligations:		
Accrued early retirement program (note 7)	1,551	2,263
Long-term debt (note 6)	24,672	25,226
Interest rate swaps (notes 1(h) and 6)	1,671	3,487
Employee future benefit obligations (notes 1(d) and 3)	6,148	5,881
	34,042	36,857
Deferred contributions (note 8):		
Deferred contributions	20,614	19,313
Deferred capital contributions	71,631	67,524
	92,245	86,837
Net assets	38,741	38,219
Commitments and contingencies (note 12)		
	\$ 206,684	204,610

See accompanying notes to consolidated financial statements.

On behalf of the Board of Governors:

 Governor
 Governor

LAURENTIAN UNIVERSITY OF SUDBURY

Consolidated Statement of Operations

Year ended April 30, 2010, with comparative figures for 2009
(thousands of dollars)

	2010	2009
Revenue:		
Government grants and contracts	\$ 69,678	66,777
Tuition fees	31,326	28,021
Sales and services	10,838	10,390
Investment income	1,183	249
Research grants and contracts	18,986	20,600
Other fees and income (note 14)	11,422	8,968
Amortization of deferred capital contributions	3,059	2,827
	146,492	137,832
Expenses:		
Salaries and benefits	105,367	101,565
Operating	12,437	12,528
Research	10,026	9,383
Scholarships and bursaries	10,523	9,599
Occupancy	6,815	7,162
Cost of ancillary sales and services	2,513	2,551
Changes in value of interest rate swap	(1,816)	2,854
Amortization of capital assets	6,455	6,743
	152,320	152,385
Deficiency of revenue over expenses	\$ (5,828)	(14,553)

See accompanying notes to consolidated financial statements.

LAURENTIAN UNIVERSITY OF SUDBURY

Consolidated Statement of Changes in Net Assets

Year ended April 30, 2010, with comparative figures for 2009
(thousands of dollars)

	Unrestricted	Vacation Pay and Employee Future Benefits	Interest Rate Swaps	Internally Restricted (note 9)	Investment in Capital Assets (note 10)	Endowment	Total 2010	Total 2009
Net assets (deficiency), beginning of year	\$ (4,358)	(7,219)	(3,487)	11,520	16,028	25,735	38,219	52,405
Excess (deficiency) of revenue over expenses	454	(284)	–	(2,602)	(3,396)	–	(5,828)	(14,553)
Transfer for capital transactions (note 10)	(2,522)	–	–	(23)	2,545	–	–	–
Endowment contributions	–	–	–	–	–	6,350	6,350	367
Change in fair value of interest rate swaps	(1,816)	–	1,816	–	–	–	–	–
Net assets (deficiency), end of year	\$ (8,242)	(7,503)	(1,671)	8,895	15,177	32,085	38,741	38,219

See accompanying notes to consolidated financial statements.

LAURENTIAN UNIVERSITY OF SUDBURY

Consolidated Statement of Cash Flows

Year ended April 30, 2010, with comparative figures for 2009
(thousands of dollars)

	2010	2009
Cash flows from operating activities:		
Deficiency of revenue over expenses	\$ (5,828)	(14,553)
Adjustments for:		
Amortization of capital assets	6,455	6,743
Amortization of deferred capital contributions	(3,059)	(2,827)
Change in accrued early retirement program costs	(712)	171
Decrease in deferred pension asset	2,025	721
Increase in employee future benefit obligations (note 1(d))	267	457
Interest rate swaps (note 1(h))	(1,816)	2,854
	(2,668)	(6,434)
Change in non-cash working capital (note 13)	(1,062)	(4,956)
	(3,730)	(11,390)
Cash flows from financing activities:		
Purchases of capital assets	(19,418)	(11,197)
Change in deferred contributions	1,301	965
Deferred capital contributions received	7,166	4,916
Repayment of long-term debt	(486)	(432)
Long-term debt obtained	—	8,000
Short-term loan	(2)	(405)
	(11,439)	1,847
Cash flows from investing activities:		
Change in investments	(9,080)	4,383
Endowment contributions	2,449	3,924
Gain (loss) on endowment investments	3,901	(3,557)
	(2,730)	4,750
Net decrease in cash	(17,899)	(4,793)
Cash and short-term investments, beginning of year	48,856	53,649
Cash and short-term investments, end of year	\$ 30,957	48,856
Supplemental information:		
Interest paid	\$ 1,449	1,591
Interest received	(149)	(1,277)

See accompanying notes to consolidated financial statements.

LAURENTIAN UNIVERSITY OF SUDBURY

Notes to Consolidated Financial Statements

Year ended April 30, 2010

Laurentian University of Sudbury (the "University") is incorporated by special act under the laws of Ontario.

1. Significant accounting policies:

(a) Revenue recognition:

The University follows the deferral method of accounting for contributions. The principles under this method are summarized as follows:

Unrestricted contributions and donations are recognized as revenue when received or receivable if the amount can be reasonably estimated and allocation is reasonably assured. Contributions pertaining to future periods are deferred and recognized as revenue in the year in which the related expenses are recognized.

Contributions externally restricted for purposes other than endowment are deferred and recognized as revenue in the year in which the related expenses are recognized.

Contributions restricted for capital asset purchases are deferred and amortized to operations on the same basis as the related asset is amortized.

Endowment contributions consist of donations and capitalized investment income (loss) and are recognized on the accrual basis as direct changes in net assets.

Student fees and tuitions are recognized as revenue in the fiscal period when the respective courses and seminars are held.

(b) Investments:

Investments are largely invested in pooled funds, which are carried at market value.

Income/loss derived from endowment investments is allocated to the related scholarship and bursary accounts and the endowment fund balance. Investment income/loss on non-endowment investments is allocated to the respective non-endowment fund balance in proportion to their yearly weighted average.

(c) Capital assets:

Purchased assets are recorded at cost. Contributed assets are recorded at fair market value at the date of contribution. Capital assets are amortized on the straight-line basis over their estimated useful lives as follows:

Buildings	40 years
Equipment and furnishings	7 years
Land and site improvements	15 years

Construction in progress is not amortized until the project is complete and the facilities are put in use.

LAURENTIAN UNIVERSITY OF SUDBURY

Notes to Consolidated Financial Statements

Year ended April 30, 2010

1. Significant accounting policies (continued):

(d) Employee future benefits:

The University has a defined contribution pension plan in which the University contributes a set amount to the plan in respect of individual employees, with a guaranteed minimum defined benefit. All employees of the University and its federated institutions which participate in the plan, are eligible to join the plan upon entering the service of one of those employers. The benefits are based on years of service and final average salary.

The University sponsors a defined benefit health care plan for substantially all retirees and employees.

Faculty have the option of accepting a special voluntary early retirement package prior to the normal eligible retirement age, with benefits based on years of service and final average salary to a specified maximum.

The University has approved a supplemental plan for employees to provide them with full benefits should the Canada Revenue Agency limitations not have been imposed.

The University accrues its obligations under the defined benefit plans as the employees render the services necessary to earn the pension and other retirement benefits. The actuarial determination of the accrued benefit obligations for pensions and other retirement benefit uses the projected benefit method prorated on service (which incorporates management's best estimate of future salary levels, other cost escalation, retirement ages of employees and other actuarial factors). The most recent actuarial valuation of the pension plans for funding purposes was as of July 1, 2007, and the next required valuation will be as of July 1, 2010.

Actuarial gains (losses) on plan assets arise from the difference between the actual return on plan assets for a period and the expected return on plan assets for that period. For the purpose of calculating the expected return on plan assets, those assets are valued at fair value. Actuarial gains (losses) on the accrued benefit obligation arise from differences between actual and expected experience and from changes in the actuarial assumptions used to determine the accrued benefit obligation. The excess of the net accumulated actuarial gains (losses) over 10% of the greater of the accrued defined benefit obligation and the fair value of related plan assets is amortized over the average remaining service period of active employees of 10.8 years.

(e) Internally restricted net assets:

The University restricts use of portions of its operating net assets for specific future uses. When incurred, the related expenses are charged to operations, and the balance of internally restricted assets is reduced accordingly with a transfer to unrestricted net assets.

LAURENTIAN UNIVERSITY OF SUDBURY

Notes to Consolidated Financial Statements

Year ended April 30, 2010

1. Significant accounting policies (continued):

(f) Related entities and basis of presentation:

MIRARCo

The consolidated financial statements are inclusive of the assets, liabilities, revenues and expenses of the Mining Innovation Rehabilitation and Applied Research Corporation, which is a wholly controlled entity.

Northern Ontario School of Medicine

The Northern Ontario School of Medicine (the "School") was created in order to provide medical education in Northern Ontario. Although the University, along with Lakehead University the only other voting members of the School, has significant relationships with the School, the University has no claim to the School's net assets and nor is the University liable or contingently liable for any of the School's obligations. Accordingly, the operations of the School are not included in these consolidated financial statements.

Sudbury Neutrino Observatory

The Sudbury Neutrino Observatory ("SNO") was created on December 2, 1997 as a joint venture of the University and three other Canadian Universities, to perform research in sub-atomic physics. The University's proportionate share of the entity's assets, liabilities, revenues and expenses to March 31, 2009 have been included in these consolidated financial statements. The 2010 financial statements are not available and accordingly, the balances and transactions will be accounted for prospectively.

SNOLAB

SNOLAB is a research project whose principal objective is the construction, operation and decommissioning of the SNOLAB International Facility for Underground Science. An agreement specifies that the project's liabilities and assets are to be divided among the SNOLAB member institutions, which are consistent with SNO above. The University's proportionate share of the entity's assets, liabilities, revenues and expenses to March 31, 2009 have been included in these consolidated financial statements. The 2010 financial statements are not available and accordingly, the balances and transactions will be accounted for prospectively.

Centre for Excellence in Mining and Innovation (CEMI)

The Centre for Excellence in Mining and Innovation (CEMI) was created on April 23, 2007 to advance, study, research and innovation. The University contributed \$10 million received from the Provincial Government to create and fund CEMI on its inception.

The remaining balance of \$7.5 million to be paid to CEMI is included in accounts payable. The University has no claim to CEMI's assets during its operating life nor is it liable or contingently liable for CEMI's obligations. Accordingly, the operations of CEMI are not included in these consolidated financial statements.

LAURENTIAN UNIVERSITY OF SUDBURY

Notes to Consolidated Financial Statements

Year ended April 30, 2010

1. Significant Accounting Policies (continued)

(g) Financial instruments:

The University accounts for its financial assets and liabilities in accordance with Canadian generally accepted accounting principles.

The financial instruments are classified into one of five categories: held-for-trading, held-to-maturity, loans and receivables, available-for-sale financial assets or other financial liabilities. All financial instruments, including derivatives, are measured in the statement of financial position at fair value except for loans and receivables, held to maturity investments and other financial liabilities which are measured at amortized cost. Held-for-trading financial assets are measured at fair value and changes in fair value are recognized in the consolidated statement of operations.

The University continues to disclose under CICA Handbook Section 3861 – Financial Instruments.

(h) Interest rate swaps:

The University is party to interest rate swap agreements used to manage the exposure to market risks from changing interest rates. The University's policy is not to utilize derivative financial instruments for trading or speculative purposes.

The University has not formerly hedged these agreements and the change in the net value of the swaps is reflected in the consolidated statement of operations.

(i) Use of estimates:

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenue and expenses during the reporting periods. Significant items subject to such estimates and assumptions include the carrying value of capital assets; the valuation of pension assets and employee future benefit obligations and valuation allowances for accounts receivable. Actual results could differ from those estimates. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the year in which they become known.

LAURENTIAN UNIVERSITY OF SUDBURY

Notes to Consolidated Financial Statements

Year ended April 30, 2010

1. Significant Accounting Policies (continued)

(j) Accounting changes:

Effective May 1, 2009, the University adopted the CICA amendments to Section 1000 of the CICA Handbook. These amendments clarified the criteria for recognition of an asset or liability, removing the ability to recognize assets or liabilities solely on the basis of matching of revenue and expense items. Adoption of these amendments had no effect on the financial statements for the year ended April 30, 2010.

Also, effective May 1, 2009, the University adopted the CICA amendments to Section 4400 of the CICA Handbook. Amongst other items, these amendments clarify the requirement for revenue and expenses to be presented on a gross basis when the not-for-profit organization is acting as principal, add a requirement for disclosure of all revenue and expenditure allocations and require the non-profit organization to present a statement of cash flows. Adoption of these recommendations has had no effect on the financial statements for the year ended April 30, 2010.

(k) Impairment of long-lived assets:

Long-lived assets, including capital assets subject to amortization, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability is measured by a comparison of the carrying amount to the estimated undiscounted future cash flows expected to be generated by the asset. If the carrying amount of the asset exceeds its estimated future cash flows, an impairment charge is recognized by the amount by which the carrying amount of the asset exceeds the fair value of the asset.

2. Investments (in thousands of dollars):

	2010	2009
Pooled funds:		
Equities	\$ 16,704	11,604
Fixed income	15,297	11,321
Government bonds and guaranteed investment certificates	106	102
	<hr/>	<hr/>
	\$ 32,107	23,027

LAURENTIAN UNIVERSITY OF SUDBURY

Notes to Consolidated Financial Statements

Year ended April 30, 2010

3. Employee future benefits:

The University provides for the reimbursement of a fixed annual amount of medical expenses to retired employees provided that certain specified conditions are met. An actuarial calculation of the future liabilities thereof has been made and forms the basis for the liability reported in these consolidated financial statements.

The University operates a defined contribution pension plan with a guaranteed minimum defined benefit. The actuarial report, effective July 1, 2007, indicates that the guaranteed defined benefit portion of the pension plan has a surplus of approximately \$4.7 million.

The reconciliation of the funded status of the defined benefit plan to the amounts recorded in the financial statements is as follows:

Assets (in thousands of dollars)	Pension benefit plan	
	2010	2009
Accrued benefit obligation	\$ (270,625)	(219,208)
Fair value of plan assets	234,403	204,114
Funded status - plan surplus (deficit)	(36,222)	(15,094)
Balance of unamortized amounts	36,321	17,218
Deferred pension asset	\$ 99	2,124

Liabilities (in thousands of dollars)	Post-employment benefit obligation		Supplemental Pension Plan		Total	Total
	2010	2009	2010	2009	2010	2009
Accrued benefit obligation	\$ (6,035)	(4,496)	(4,066)	(2,433)	(10,101)	(6,929)
Fair value of plan assets	1,190	1,103	-	-	1,190	1,103
Funded status - plan surplus (deficit)	(4,845)	(3,393)	(4,066)	(2,433)	(8,911)	(5,826)
Balance of unamortized amounts	1,273	91	1,490	(146)	2,763	(55)
Accrued benefit liabilities	\$ (3,572)	(3,302)	(2,576)	(2,579)	(6,148)	(5,881)

LAURENTIAN UNIVERSITY OF SUDBURY

Notes to Consolidated Financial Statements

Year ended April 30, 2010

3. Employee future benefits (continued):

The significant assumptions used are as follows (weighted-average):

	Pension benefit plan and Supplemental Retirement Plan		Post-employment benefit obligation	
	2010	2009	2010	2009
Discount rate	5.5%	7.75%	5.5%	7.75%
Rate of compensation increases	3.5%	3.5%	–	–
Expected long-term rate of return on plan assets	7.0%	7.0%	5.0%	5.0%
Health care cost trend rate	–	–	3.0%	3.0%
Rate of inflation	2.0%	2.0%	–	–

The retiree health benefit plan expense for 2010 amounted to \$267,000 (2009 - \$332,000) and the benefit payments included therein made on behalf of retirees amounted to approximately \$156,000 (2009 - \$140,000).

Total cash amounts recognized as paid or payable for pension benefits in 2010, consisting of all employer contributions to the pension plan were \$11,745,595 (2009 - \$10,498,609).

4. Capital assets (in thousands of dollars):

	2010		2009	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Buildings	\$ 175,020	56,844	157,502	54,086
Equipment and furnishings	89,034	81,343	87,198	77,994
Land and site improvements	9,635	7,081	9,635	6,797
	273,689	145,268	254,335	138,877
Less accumulated amortization	145,268		138,877	
	\$ 128,421		115,458	

LAURENTIAN UNIVERSITY OF SUDBURY

Notes to Consolidated Financial Statements

Year ended April 30, 2010

5. Short-term loan:

The short-term loans represent advances from Infrastructure Ontario and TD Canada Trust for construction projects. These unsecured loans have a floating interest rate (.74% and 1.35% respectively at April 30, 2010). On completion of the construction projects, these loans will be formally replaced with long-term debt.

6. Long-term debt (in thousands of dollars):

	2010	2009
Bank of Montreal	\$ 3,379	3,531
TD Canada Trust	13,952	14,196
TD Canada Trust	7,859	7,949
	25,190	25,676
Less current portion of long-term debt	518	450
	\$ 24,672	25,226

The above-noted debt was advanced under variable rate credit facilities in the principal face amounts of \$4.116 million, \$14.8 million and \$8.0 million for the financing of various residences and the construction of a student recreation centre. Interest rates are adjusted monthly and were .4407% at April 30, 2010.

The University has entered into interest rate derivative agreements to manage the volatility of interest rates. The University converted floating rate debt for fixed rate debt of 5.14%, 4.70% and 4.74%. The related derivative agreements are in place until the maturity of the debt in 2024, 2036 and 2043 respectively.

The principal repayments of long-term debt are as follows:

2011	\$ 518
2012	542
2013	570
2014	616
2015	632
Thereafter	22,312
	\$ 25,190

LAURENTIAN UNIVERSITY OF SUDBURY

Notes to Consolidated Financial Statements

Year ended April 30, 2010

7. Special voluntary early retirement program:

The University offers a voluntary early retirement program to all faculty. An actuarial calculation of the future liabilities thereof has been made and forms the basis of this provision.

The significant assumptions used are as indicated in note 3. There are no plan assets for this benefit.

The voluntary early retirement expense amounted to \$712,586 (2009 - \$171,750) and the benefit payments made on behalf of retirees were \$811,759 (2009 - \$715,151).

8. Deferred contributions (in thousands of dollars):

(a) Deferred contributions:

Deferred contributions represent external contributions restricted for research and trust expenditures to be incurred in subsequent fiscal years. Details of the change in deferred contributions are as follows:

	2010	2009
Balance, beginning of year	\$ 19,313	18,348
Add contributions received in the year	23,708	22,610
Less amounts recognized as revenue	(22,407)	(21,645)
Balance, end of year	\$ 20,614	19,313

LAURENTIAN UNIVERSITY OF SUDBURY

Notes to Consolidated Financial Statements

Year ended April 30, 2010

8. Deferred contributions (continued) (in thousands of dollars):

(b) Deferred capital contributions:

Deferred capital contributions represent the unspent and unamortized amount of donations and grants received for the purchase of capital assets. Details of the change in deferred capital contributions are as follows:

	2010	2009
Unspent:		
Balance, beginning of year	\$ 13,637	13,915
Add contributions received in the year	7,166	4,916
Less amounts utilized	(17,666)	(5,194)
Balance, end of year	3,137	13,637
Unamortized:		
Balance, beginning of year	53,887	51,520
Add contributions utilized in the year	17,666	5,194
Less amount amortized to revenue	(3,059)	(2,827)
Balance, end of year	68,494	53,887
Total unspent and unamortized capital contributions	\$ 71,631	67,524

9. Internally restricted net assets (in thousands of dollars):

	2010	2009
Sudbury Neutrino Observatory	\$ 250	282
Departmental trust funds	2,517	2,561
Scholarship and bursary funds	166	209
Departmental and subsidiary research funds	3,620	4,351
Departmental carry forwards	2,334	2,282
Outstanding purchase orders	734	708
Self-insurance funds	275	250
Reserve for early retirement	(1,551)	(2,263)
Ancillaries	429	283
Replacement reserve - ancillaries	181	181
Provision for pension plan liabilities	99	2,124
Unexpended (overexpended) capital fund	(159)	552
	\$ 8,895	11,520

LAURENTIAN UNIVERSITY OF SUDBURY

Notes to Consolidated Financial Statements

Year ended April 30, 2010

10. Investment in capital assets (in thousands of dollars):

The investment in capital assets is calculated as follows:

	2010	2009
Capital assets	\$ 128,421	115,458
Less amounts financed by:		
Long-term debt	(25,190)	(25,676)
Internal financing (note 11)	(1,299)	(1,604)
Short-term loan	(18,261)	(18,263)
Unamortized deferred capital contributions	(68,494)	(53,887)
	\$ 15,177	16,028

Details of the transfer for capital transactions are as follows:

Repayment of long-term debt	\$ 486	432
Repayment of short-term loan	39	–
Repayment of internal financing	305	357
Internally funded capital assets	1,715	1,205
	\$ 2,545	1,994

11. Internal financing (in thousands of dollars):

Details of capital asset internal financing activities are as follows:

	April 30, 2009	Repayments	April 30, 2010
Heating plant	\$ 201	50	151
Energy retrofit	1,046	116	930
Telephone system and copier equipment	357	139	218
	\$ 1,604	305	1,299

The internal loans bear interest at a floating rate equal to the return earned on short-term investments and are to be repaid over a period ranging from five to ten years.

LAURENTIAN UNIVERSITY OF SUDBURY

Notes to Consolidated Financial Statements

Year ended April 30, 2010

12. Commitments and contingencies:

- (a) The University participates in a reciprocal exchange of insurance risks in association with forty other Canadian universities. This self-insurance co-operative involves a contractual agreement to share the insurance property and liability risks of member universities.
- (b) The University has contracted to construct the "Living with Lakes" Centre. The total cost of the project is estimated at \$20,000,000 and as of April 30, 2010 the University has spent \$11,742,000.
- (c) The University has entered into an agreement for the construction of a new 236 bed residence in the amount of \$20,581,000. The construction is expected to be completed in 2012 and will be financed by a term loan. Once completed, the total cost of the residence will be funded through the residence ancillary operations.
- (d) The University is involved in certain legal matters and litigation, the outcomes of which are not presently determinable. The loss, if any, from these contingencies will be accounted for in the periods in which the matters are resolved. Management is of the opinion that these matters are mitigated by adequate insurance coverage.

13. Change in non-cash working capital (in thousands of dollars):

	2010	2009
Cash flows from operating activities:		
Accounts receivable	\$ 263	(3,873)
Other assets	(218)	185
Accounts payable and accrued liabilities	(662)	(1,967)
Accrued vacation pay	17	35
Deferred revenue	(462)	664
	<u>\$ (1,062)</u>	<u>(4,956)</u>

LAURENTIAN UNIVERSITY OF SUDBURY

Notes to Consolidated Financial Statements

Year ended April 30, 2010

14. Other fees and income (in thousands of dollars):

Details of the other fees and income are as follows:

	2010	2009
Sponsored students	\$ 3,057	2,000
Compulsory ancillary and other	3,810	3,988
Administrative fees:		
Federated institutions	482	474
Ancillary operations	884	596
Overhead on research contract and other trust accounts	478	314
Scholarships, bursaries and other trust account contributions	2,711	1,596
	\$ 11,422	8,968

15. Fair value of financial assets and financial liabilities:

The carrying values of the University's cash and short-term investments, accounts receivable, short-term loan, accounts payable and accrued liabilities and accrued vacation pay approximate their fair values due to the relatively short periods to maturity of these items or because they are receivable or payable on demand.

Information concerning investments is provided in note 2; the fair value approximates the carrying value.

The fair values of the interest rate swaps and related long-term debt approximate their carrying value.

The University is exposed to market risks in the form of currency, and other price risks. The exposure does not significantly impact the University.

16. First Generation Pilot Project Initiatives:

For the period of January 1, 2009 to April 30, 2010, the University's financial statements include expenditures totaling \$168,353 incurred for the purpose of carrying out the First Generation Pilot Project initiatives. The goal of this project is to increase the awareness of the benefits of post-secondary education of first generation students and to increase their participation, retention and graduation rates.

LAURENTIAN UNIVERSITY OF SUDBURY

Notes to Consolidated Financial Statements

Year ended April 30, 2010

17. Comparative figures:

Certain 2009 comparative figures have been reclassified to conform with the presentation adopted in 2010 including a reclassification between deferred contribution and internally restricted net assets.