

Statement of Revenue and Expenses of

RYERSON UNIVERSITY
FUTURE SKILLS CENTRE

And Independent Auditors' Report thereon

Period from November 19, 2018 to March 31, 2019



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INDEPENDENT AUDITORS' REPORT

To the Board of Governors of Ryerson University and
the Ministry of Employment, Workforce Development and Labour

Report on the Audit Statement

Opinion

We have audited the Statement of Revenue and Expenses for the Future Skills Centre of Ryerson University (the Entity) for the period from November 19, 2018 to March 31, 2019, resulting in an excess of revenue over expenses amounting to \$11,971,117, and note to the Statement, including a summary of significant accounting policies (hereinafter referred to as the "Statement").

In our opinion, the accompanying Statement referred to above is prepared, in all material respects, in accordance with the financial reporting provisions in Schedule B - Financial Provisions of the agreement between the Entity and the Ministry of Employment, Workforce Development and Labour signed December 7, 2018, and amending agreement signed March 26, 2019, and the financial reporting provisions effective March 18, 2019.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "**Auditors' Responsibilities for the Audit of the Statement**" section of our auditors' report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the Statement in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Financial Reporting Framework

We draw attention to the note in the Statement, which describes the applicable financial reporting framework and the purpose of the Statement.

As a result, the Statement may not be suitable for another purpose.

Our opinion is not modified in respect of this matter.



Responsibilities of Management for the Statement

Management is responsible for the preparation of the Statement in accordance with the financial reporting provisions in Schedule B - Financial Provisions of the agreement between the Entity and the Ministry of Employment, Workforce Development and Labour signed December 7, 2018, and amending agreement signed March 26, 2019, and the financial reporting provisions effective March 18, 2019, and for such internal control as management determines is necessary to enable the preparation of a statement that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibilities for the Audit of the Statement

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Page 3

Report on Other Legal and Regulatory Requirements

As required by the instructions provided by the Ministry of Employment, Workforce Development and Labour, we report that the excess of revenue over expenses amounting to \$11,971,117, was made up of the following items reported by the Entity in the Statement:

- Total Revenue amounting to \$22,426,922 containing the following line items:
 - Ministry funding received amounting to \$21,098,586
 - Interest earned amounting to \$72,358
 - Institutions own in-kind contribution amounting to \$1,253,578
 - Other in-kind contributions amounting to \$2,400
- Total Expenses amounting to \$10,455,805 containing the following line items:
 - Total administrative amounting to \$238,463
 - Total capital amounting to \$911
 - Total direct amounting to \$8,960,453
 - Total in-kind amounting to \$1,255,978

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Vaughan, Canada

June 27, 2019

RYERSON UNIVERSITY

FUTURE SKILLS CENTRE

Statement of Revenue and Expenses

Period from November 19, 2018 to March 31, 2019

Revenue:	
Ministry funding received	\$ 21,098,586
Interest earned	72,358
Institution's own in-kind contributions	1,253,578
Other in-kind contributions	2,400
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	22,426,922
Expenses:	
Administrative	238,463
Capital	911
Direct:	
Staff wages	408,496
Project	2,157,048
Sub-projects	6,394,909
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	8,960,453
In-kind:	
Staff wages	197,009
Indirect costs	1,056,569
Other	2,400
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	1,255,978
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	10,455,805
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Excess of revenue over expenses	\$ 11,971,117

Note

The Statement of Revenue and Expenses of the Future Skills Centre (the "Statement") is prepared in accordance with the financial reporting provisions in Schedule B - Financial Provisions of the agreement between the Entity and the Ministry of Employment, Workforce Development and Labour signed December 7, 2018, and amending agreement signed March 26, 2019, and the financial reporting provisions effective March 18, 2019.

The purpose of this Statement is for the Entity to meet its obligation to the Ministry of Employment, Workforce Development and Labour.

As a result, the Statement may not be suitable for another purpose.