

**FY 2009**  
**(The Fourth Year)**

# **Financial Statement**



FROM: April 1, 2009

TO: March 31, 2010

**The Public University Corporation,**

**The University of Aizu**

## Table of Contents

Balance Sheet .....	1
Statement of Income .....	2
Statement of Cash Flow .....	3
Appropriation of Profits (Draft) .....	4
Calculation of Costs for Implementation of Administrative Services .....	5
Notes .....	6
Notes Regarding Financial Statement	
( 1) Statement of Acquisition, Disposal, and Depreciation (including the amount equivalent to depreciation not associated with profit and loss, calculated based on “No. 84: Accounting Procedures Regarding Depreciation of Specific Depreciable Assets) of Fixed Assets and Details of Impairment Losses .....	8
( 2) Statement of Inventory Assets .....	9
( 3) Statement of Prefectural Property Used without Compensation .....	9
( 4) Statement of PFI (Private Finance Initiative) .....	9
( 5) Statement of Securities .....	9
( 6) Statement of Investments .....	9
( 7) Statement of Long-term Loans .....	9
( 8) Statement of Debts .....	9
( 9) Statement of Reserves .....	1 0
(10) Statement of Guaranteed Liabilities .....	1 0
(11) Statement of Capital Stock and Capital Surplus .....	1 0
(12) Statement of Reserves and Diversion of Appropriated Surplus .....	1 0
(13) Statement of Operating Expenses and General Administrative Expenses ...	1 1
(14) Statement of Liabilities and Profit on Operational Subsidies .....	1 4
(15) Statement of Funding other than Operational Subsidies from the Government of Fukushima Prefecture, Etc. ....	1 4
(16) Statement of Salaries for Executives, Faculty and Administrative Personnel .....	1 5
(17) Segment Information that should be Disclosed .....	1 6
(18) Statement of Donations .....	1 6
(19) Statement of Commissioned Research .....	1 6
(20) Statement of Cooperative Research .....	1 6
(21) Statement of Commissioned Projects, Etc. ....	1 6
(22) Statement of Grant-In-Aid for Scientific Research (KAKENHI) .....	1 7
(23) Statement of Major Assets and Liabilities .....	1 8

Balance Sheet  
(March 31, 2010)

Unit: Yen

Assets			
I Fixed Assets			
1 Tangible assets			
Land	6,620,300,000		
Accumulated impairment loss	<u>△2,004,537</u>	6,618,295,463	
Buildings	12,724,172,239		
Accumulated depreciation	<u>△5,023,039,441</u>	7,701,132,798	
Structures	1,039,997,538		
Accumulated depreciation	<u>△652,187,870</u>	387,809,668	
Tools, fixtures, and durable goods	1,850,187,558		
Accumulated depreciation	<u>△867,347,915</u>	982,839,643	
Library materials		1,503,821,503	
Works of art and collections		<u>5,600,003</u>	
Vehicle and delivery equipment	7,558,860		
Accumulated depreciation	<u>△2,624,600</u>	4,934,260	
Construction in progress		<u>101,541,100</u>	
Total tangible assets		<u>17,305,974,438</u>	
2 Intangible assets			
Patent Rights	2,263,410		
Accumulated depreciation	<u>△354,909</u>	1,908,501	
Design rights	735,700		
Accumulated depreciation	<u>△17,516</u>	718,184	
Other intangible assets		<u>2,230,200</u>	
Patent Rights in progress		<u>18,039,801</u>	
Total intangible assets		<u>22,896,686</u>	
3 Investments and other assets			
Long-term prepaid expenses		<u>41,240</u>	
Total investments and other assets		<u>41,240</u>	
Total Fixed Assets		<u>17,328,912,364</u>	
II Current Assets			
Cash on hand and in banks		1,046,266,601	
Payments from students receivable		3,544,200	
Prepaid expenses		6,726,303	
Other current assets		1,804,520	
Uncollected income		<u>148,747,811</u>	
Total Current Assets		<u>1,207,089,435</u>	
TOTAL ASSETS			<u>18,536,001,799</u>
Liabilities			
I Fixed Liabilities			
Asset offsetting liabilities			
Asset offsetting operational subsidies, etc.	294,195,249		
Asset offsetting subsidies, etc.	47,072,442		
Asset offsetting donations	51,740,176		
Amount of items received or donated as offsetting of assets	1,451,448,388		
Patent rights in progress offsetting operational subsidies, etc.	18,039,801		
Construction in progress offsetting operational subsidies, etc.	20,456,100		
Construction in progress offsetting grants	<u>81,085,000</u>	1,964,037,156	
Long-term accounts payable		502,979,856	
Other fixed liabilities		<u>2,843,850</u>	
Total Fixed Liabilities		<u>2,469,860,862</u>	
II Current Liabilities			
Operational subsidy liabilities		96,963,477	
Donation liabilities		27,764,140	
Commissioned research expenses, etc. received in advance		3,681,360	
Advances		118,800	
KAKENHI, etc. entrusted		2,107,796	
Deposits received		49,416,014	
Accounts payable		270,422,474	
Short-term lease payable		468,512,396	
Accrued consumption taxes, etc.		<u>2,096,100</u>	
Total Current Liabilities		<u>921,082,557</u>	
TOTAL LIABILITIES			<u>3,390,943,419</u>
<b>NET ASSETS</b>			
I Capital Stock			
Investments from local public entities		19,304,393,953	
Total Capital Stock		<u>19,304,393,953</u>	
II Capital Surplus			
Capital surplus		852,059,501	
Accumulated depreciation not associated with profit and loss		△5,728,380,330	
Accumulated impairment loss not associated with		<u>△2,004,537</u>	
Total Capital Surplus		<u>△4,878,325,366</u>	
III Earned Surplus			
Reserve funds for improvement of education and research, and for improvement of organization and administration		499,625,197	
Reserve funds		1,507,412	
Unappropriated surplus at the end of the current term		217,857,184	
(Current gross profit		<u>217,857,184</u> )	
Total Earned Surplus		<u>718,989,793</u>	
TOTAL CAPITAL			<u>15,145,058,380</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>			
			<u>18,536,001,799</u>

Statement of Income  
(From April 1, 2009 to March 31, 2010)

Unit: Yen

Ordinary Expenses			
Operating expenses			
Educational expenses	233,218,912		
Research expenses	252,529,078		
Educational and research assistance expenses	946,245,444		
Commissioned research expenses	43,821,663		
Commissioned project expenses	79,624,060		
Personnel expenses for executives	109,862,918		
Personnel expenses for faculty			
Salaries for full-time faculty	1,264,175,954		
Salaries for part-time faculty	<u>125,158,875</u>	1,389,334,829	
Personnel expenses			
Salaries for full-time personnel	528,494,746		
Salaries for part-time personnel	<u>123,477,302</u>	<u>651,972,048</u>	3,706,608,952
General administrative expenses			409,862,139
Financial costs			
Interest expenses	<u>57,096,029</u>	<u>57,096,029</u>	
Miscellaneous loss *			<u>3,593,763</u>
Total Ordinary Expenses			<u><u>4,177,160,883</u></u>
Ordinary Income			
Operational subsidies		3,110,800,556	
Tuition fees		781,409,100	
Admission fees		167,675,200	
Examination fees		27,356,000	
Seminar fees		192,000	
Income from commissioned research, etc.			
Organizations other than Government or local governments	<u>45,098,952</u>	45,098,952	
Income from commissioned projects, etc.			
Organizations of Government and local governments	75,200,067		
Organizations other than Government or local governments	<u>11,317,200</u>	86,517,267	
Donations			11,320,203
Reversal of asset offsetting liabilities			
Reversal of asset offsetting operational subsidies, etc.	12,715,120		
Reversal of asset offsetting subsidies, etc.	4,126,549		
Reversal of asset offsetting donations	2,514,884		
Reversal of amount of items received or donated as offsetting of assets	<u>12,527,899</u>	31,884,452	
Subsidies, etc.			77,551,872
Financial income			
Interest income	<u>3,891,351</u>	3,891,351	
Miscellaneous income			
Income from property lending	35,191,019		
Other miscellaneous income	<u>16,705,531</u>	<u>51,896,550</u>	
Total Ordinary Income			<u><u>4,395,593,503</u></u>
Ordinary Profit			<u><u>218,432,620</u></u>
Temporary Losses			
Fixed assets elimination loss		<u>575,436</u>	575,436
Current Net Profit			<u><u>217,857,184</u></u>
Current Gross Profit			<u><u>217,857,184</u></u>

Statement of Cash Flow  
(From April 1, 2009 to March 31, 2010)

Unit: Yen

I	Cash Flow from Operation Activities	
	Expenses for purchase of materials, goods, or services	△1,002,306,717
	Personnel expenses	△2,137,152,334
	Other operating expenses	△420,886,837
	Income from operational subsidies	3,176,835,000
	Income from tuition fees	756,987,500
	Income from admission fees	163,924,600
	Income from examination fees	27,296,000
	Income from commissioned research, etc.	43,241,414
	Income from commissioned projects, etc.	87,316,857
	Income from subsidies, etc.	104,806,259
	Income from donations	10,260,220
	Other operating income	51,884,188
	Increase/decrease in deposits	△1,760,248
	Subtotal	860,445,902
	Cash Flow from Operation Activities	860,445,902
II	Cash Flow from Investing Activities	
	Expenses for acquisition of tangible assets	△379,519,217
	Expenses for acquisition of intangible assets	△5,684,735
	Expenses for fixed deposits, etc.	△600,000,000
	Income from repayment of fixed deposits, etc.	300,000,000
	Subtotal	△685,203,952
	Interest and dividends received	2,428,745
	Cash Flow from Investing Activities	△682,775,207
III	Cash Flow from Financial Activities	
	Expenses for payment of lease liabilities	△529,847,724
	Subtotal	△529,847,724
	Amount of interest paid	△57,096,029
	Cash Flow from Financial Activities	△586,943,753
IV	Increase in Funds	△409,273,058
V	Fund Balance at the Beginning of the Fiscal Year	855,539,659
VI	Fund Balance at the End of the Fiscal Year	446,266,601

Appropriation of Profits  
(Draft)

Unit: Yen

I Unappropriated Surplus at the End of the Current Term 217,857,184

Curent Gross Profit 217,857,184

II Appropriation of Profits

Reserve Funds 547,788

Amount requiring approval from the head of  
the founding organization, in accordance  
with the provisions of Article 40,  
Paragraph 3 of the Local Independent  
Administrative Corporation Law

Reserve funds for improvement of education  
and research, and for improvement of  
organizations and administration

217,309,396      217,857,184

Calculation of Costs for Implementation of Administrative Services  
(From April 1, 2009 to March 31, 2010)

Unit: Yen

I Operating Expenses			
(1) Classification of expenses in the Statement of Income			
Operational expenses	3,706,608,952		
General administrative expenses	409,862,139		
Financial costs	57,096,029		
Miscellaneous loss	3,593,763		
<b>Nonrecurring losses</b>	<b>575,436</b>	<b>4,177,736,319</b>	
(2) Incomes, etc. earned independently by the Public Corporation (Deduction)			
Tuition fees	△781,409,100		
Admission fees	△167,675,200		
Examination fees	△27,356,000		
Seminar fees	△192,000		
Income from commissioned research, etc.	△45,098,952		
Income from commissioned projects, etc.	△86,517,267		
Donations	△11,320,203		
Reversal of asset offsetting dominations	△2,514,884		
Financial income	△3,891,351		
Miscellaneous income	△43,910,918	△1,169,885,875	
Total Operating Expenses			3,007,850,444
II Depreciation, Etc. Equivalent not Associated with Profit and Loss			
Depreciation equivalent not associated with profit and loss		400,671,769	
Asset retirement equivalent not associated with profit and loss		57,405,100	458,076,869
III Impairment Loss Equivalent not Associated with Profit and Loss			
			2,004,537
IV Estimated Increases in Bonuses other than the Reserve for Bonuses			
			2,545,603
V Estimated Amount of Increase in Retirement Benefits other than the Reserve for Retirement Allowances			
			77,220,585
VI Opportunity Costs			
Opportunity costs for lease transactions of properties of the national government or local public entities without compensation or reduced usage charges		13,200	
Opportunity costs invested by local public entities		204,452,725	204,465,925
VII Payments by the Founding Organization (Deduction)			
			0
VIII Costs for Implementation of Administrative Services			
			<u>3,752,163,963</u>

## Annotations

### I Important Accounting Policies

#### 1 Criteria for Realization of Income from Operational Subsidies and Tuition Fees

With the exception of the operational subsidies listed below, time-based income realization criteria (期間進行基準) is used for appropriation of income.

##### (1) Cost-based income realization criteria (費用進行基準)

- ① Operational subsidies appropriated for retirement allowances
- ② Operational subsidies appropriated for personnel expenses designated by the Government of Fukushima Prefecture, granter of the subsidies, as specified expenses
- ③ Operational subsidies designated by the Government of Fukushima Prefecture, granter of the subsidies, as facility maintenance expenses

#### 2 Accounting Procedures Regarding Depreciation

##### (1) Tangible assets

The straight-line method is adopted.

Useful life-spans of assets are based on useful life-spans determined by corporate-tax codes.

For fixed assets inherited from the Government of Fukushima Prefecture, estimated useful life-spans are used. Specific depreciable assets purchased by income from commissioned research, etc., are based on useful life-span.

However, the straight line depreciation method using lease periods as useful life-spans of assets is applied to leased assets.

Amounts equivalent to depreciation for specific depreciable assets (Local Independent Administrative Corporation Accounting Rules, No. 84) are deducted from the capital surplus as accumulated depreciation not associated with profit and loss.

Useful life-spans of major assets are as follows:

- |                                      |                     |
|--------------------------------------|---------------------|
| ① Buildings                          | 4 years to 36 years |
| ② Structures                         | 1 years to 48 years |
| ③ Tools, fixtures, and durable goods | 1 year to 6 years   |

##### (2) Intangible assets

As the intangible assets possessed by the Corporation are only telephone subscription rights and patent rights suspense accounts, they have not been subject to depreciation.

#### 3 Criteria for Appropriation of Reserves

##### (1) Criteria for appropriation of reserves and estimates regarding bonuses

As bonus allowances are financed by operational subsidies, no reserves for retirement benefits are appropriated.

For the estimated amount of increase in bonuses other than reserve for bonuses entered in the calculation of costs for implementation of administrative services, the amount posted is calculated by deducting from the estimate for the relevant year's reserve, the the estimate from the estimate from the previous year.

##### (2) Criteria for appropriation of reserves and estimates regarding retirement benefits

As retirement allowances are financed by operational subsidies, no reserves for retirement benefits are appropriated.

For the estimated amount of increase in retirement benefits other than reserve for retirement allowances entered in the calculation of costs for implementation of administrative services, the increase for this term in reserves for retirement benefits regarding retirement allowances calculated based on No. 85, Item 4 of the Accounting Rules is appropriated.

#### 4 Accounting Procedures Regarding Lease Transactions

For finance lease transactions for a total lease of 3 million yen or more, accounting procedures based on the methods used for ordinary sales transactions are applied.

#### 5 Accounting Procedures Regarding Consumption Taxes, Etc.

Accounting regarding consumption taxes, local consumption taxes is conducted on a pretax basis.

#### 6 Methods for Appropriation of Opportunity Costs for Calculation of Costs Used in the Statement for Implementation of Administrative Services

##### (1) Method for appropriation of opportunity costs for no-cost or discounted lease transactions regarding properties of the national government or local public entities

Usage charges are calculated based on the Aizu-Wakamatsu City Ordinance Regarding Road Occupancy, and other regulations.

##### (2) Rates used for appropriation of opportunity costs invested by local public entities

The rate of 1.395 % is used for calculation, based on the yield of government bonds as of March 31, 2010.



## II Important Changes Regarding Accounting Policies

### 1 Application of the Accounting Standards for Local Independent Administrative Corporations regarding impairment of fixed assets.

As of fiscal year 2009, the “regional independent administrative agency accounting standards for asset impairment losses for fixed assets” and annotations thereof, and Q&A regarding these standards

(The Local Administration Bureau, the Local Public Financial Bureau of the Ministry of Internal Affairs and Communications, and the Japanese Institute of Certified Public Accountants) have been applied.

Due to this, capital surplus decreased to 2,004,537 yen, and costs for implementation of administrative services increased to 2,004,537 yen.

### 2 Changes following revision of the Accounting Standards for Local Independent Administrative Corporations

As of fiscal year 2009, the “regional independent administrative agency accounting standards for asset impairment losses for fixed assets” and annotations thereof (revised on November 27, 2008), and

Q&A regarding these standards (The Local Administration Bureau, the Local Public Financial Bureau of the Ministry of Internal Affairs and Communications, and the Japanese Institute of Certified Public

Accountants, (last revised in March of 2009) have been applied.

The University's financial statement was affected by these changes as describes as follows.

#### (1) Increase in estimations for bonuses other than the reserve for bonuses

As of fiscal year 2009, estimations for increases in bonuses are not posted to reserve funds due to implementation of a method to appropriate operational subsidies for bonuses. These estimated increases are posted to the category for “estimated increases in bonuses other than the reserve for bonuses” in the cost for implementation of administrative services. Due to this, the cost for implementation of administrative services has increased by 2,545,603 yen compared to last fiscal year.

#### (2) The category for “capital” used up until this year has been renamed “net assets” for this financial statement, but has no affect on profit or loss for the Corporation. The amount for this category is 15,145,058,380.

## III Annotations Regarding the “Balance Sheet”

### 1 Appropriation of impairment of fixed assets

(for fixed assets for which impairments were recognized)

Unit: yen

Intended purpose	Accommodations for the President	
	Land	Buildings
Category	Fukushima, Aizu-Wakamatsu, Yamaga-Machi	
Location	Fukushima, Aizu-Wakamatsu, Yamaga-Machi	
Previously Posted Ledger Amount	36,600,000	11,647,104
Ledger Amount after Revision	34,595,463	11,647,104
How the item became recognized as impaired	※	※
Amount posted to the statement of income	-	-
Amount not posted to the statement of income	2,004,537	-
Retrievable services	-	11,647,104

※ Future plans are unclear due to non-use of the facility

(Summary of the method of calculation of retrievable services amount)

#### (1) Land

Land value is calculated based on net appraised value done when the Prefecture transferred ownership of the property to the Corporation (in FY 2006), based on posted land value at the time.

#### (2) Buildings

Since the accommodations for the President is maintained so that move-in is possible at any time, the property is properly maintained. This amount is posted as retrievable services.

### 2 Estimated amount for bonuses which should be appropriated from operational subsidies: 192,788,545 yen

### 3 Estimated amount for retirement benefits which should be appropriated from operational subsidies: 966,135,907 yen

(This amount excludes estimation of retirement benefits for personnel who are sent from Fukushima Prefecture)

#### IV Annotations Regarding the "Cash Flow Statement"

##### 1 Breakdown of Term-end Capital Balance Comparison Tables Items

Cash and savings	1,046,266,601	Yen
A fixed deposit	$\Delta$ 600,000,000	Yen
Final term-end capital balance	446,266,601	Yen

##### 2 Important Non-capital Transactions

###### (1) Increase of assets due to transfer of assets at no cost

Tools, furniture, and durable goods	2,308,047	Yen
Library materials	4,406,226	Yen
Total	6,714,273	Yen

###### (2) Acquisition of assets by financing and leasing

242,854,553 Yen

#### V Annotations Regarding "the Statement for Calculation of Costs for Implementation of Administrative Services"

The estimated amount of increase in retirement benefits includes expenses for loaned (dispatched), and prefectural employees. (3,621,509 yen)

#### VI Important Activities Regarding Debt Burdens

(Unit: yen)

Contract Content	Scheduled Cost
Replacement work for telephone switchboards at the University	62,979,000
Replacement work for lighting control systems at the University	24,406,500
Repair work for waterproofing of the roof for UBIC at the University	9,560,600
Repair work for waterproofing of the roof of the Student Hall at the University	2,302,500
Repair work for wall repairs at Matsunaga Faculty Housing Complex Building A	17,360,650
Repair work for wall repairs at Matsunaga Faculty Housing Complex Building B	14,956,500
Construction work (architectural) for a Housing Facility to Support Learning for Students at the University of Aizu (provisional name)	265,503,000
Construction work (electrical) for a Housing Facility to Support Learning for Students at the University of Aizu (provisional name)	80,304,000
Construction work (machinery) for a Housing Facility to Support Learning for Students at the University of Aizu (provisional name)	61,740,000
Repair work for waterproofing of the roof of the North Building at the Junior College Division	20,025,850
Repair work for waterproofing of the roof of the South Building at the Junior College Division	17,585,000
Repair work for waterproofing of the roof at the Takizawa Faculty Housing Complex of the Junior College Division	6,560,000
Total	583,283,600

#### VII Important Events After Creation of the Balance Sheet

Not applicable.