



## **Fisher College – FY21 Financial Statement Summary**

Per Mass. General Laws c.69 § 31B(f), new requirements for private institutions of higher education state that “Each institution shall post on its website a copy of the institution’s annual financial report or statement, required pursuant to section 8F of chapter 12 and a summary of the report, however termed, that is written in terms that are understandable by the general public.” As such, Fisher College provides the following summary report of the College’s Fiscal Year 2021 Financial Statements, and the accompanying Fisher College Financial Statements.

### ***Note from Fisher College management regarding our Fiscal Year 2021 Financial Statements audit:***

We have fulfilled our responsibilities, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S GAAP.

### **Key Results of the Fisher College Financial Statements Audit:**

#### **Key Items of Note**

- *Fisher College continues to present a strong balance sheet, liquidity, and surplus, despite the ongoing effects of the coronavirus pandemic.*
- *As with most higher education institutions, the financial performance of the College continues to be affected by the pandemic. However, in the fall of 2020, the College re-opened the dorms to resident students and resumed operations following CDC guidelines. The College remained open throughout the school year with minimal disruption. Despite an anticipated decline in student revenue and significant costs associated with COVID-19, the College ended the year with a \$15M increase to net assets. As in the prior fiscal year, the College once more received grant funding from the Federal CARES Act program, with a portion distributed to students and a portion utilized by the College to offset COVID-19 expenses and to supplement revenue losses.*
- *During the prior fiscal year, the College applied for and received a CARES Act Paycheck Protection Program (PPP) Loan in the amount of \$2.4 million to incentivize the College not to furlough staff during the FY20 pandemic shutdown.*

*Under the guidelines of the program, the entire amount of the loan was forgiven during FY21.*

### **Key Financial Matters**

- The College continues to reflect strong liquidity on its Statements of Financial Position. As the majority of the College's quasi-endowment funds are readily available for operations by vote of the Board, fully 74% of Fisher's Total Assets, or \$51M, are considered to be liquid financial assets at year-end. This represents an increase of over \$13.5M from FY20, up over 7.5%. Additionally, Total Financial Assets available to meet general expenditures over the next 12 months has effectively doubled from FY20, from \$3.7M to \$7.3M.*
- The value of the College's investment portfolio increased by nearly 40%, due primarily to strong returns seen in the stock market during FY21. Approximately 97% (\$48M) of the investments reside within the stock portfolio, while the remaining 3% (\$1.6M) represents the book value of the College's investment in real estate. Note that investment in real estate is valued at amortized cost; market value of these properties is estimated to be in excess of \$24M, which serves to strengthen the "off" balance sheet value of Fisher's investment portfolio to be in excess of \$70M.*
- Though the Statement of Activities reflect a loss from operations in FY21, due primarily to the ongoing effects of the pandemic, the Statement of Cash Flows continues to show positive cash flow from operations. This represents the College's continued ability to effectively manage budgets and expenditures despite the sustained challenges of the current institutional landscape.*
- During FY21, Fisher invested approximately \$400K in furniture & fixtures, classroom equipment and infrastructure projects and improvements, and \$600K in FY20. These investments of FY21 and FY20 are significantly below the \$1.7M invested during FY19, a reflection of the budgetary constraints necessitated by the challenges of the pandemic.*
- The College's debt position has improved significantly, due primarily to the forgiveness of the \$2.4M PPP Loan. Additionally, Fisher fully retired one of two Mass. Development Finance Agency Revenue Bonds that were outstanding during FY21, with only \$5.8M remaining due on the second. The bond balance represents more than 50% of its total liabilities of \$9.3M; thus, with total Net Assets in excess of \$60M, this leaves Fisher with a remarkably low and manageable debt ratio of 13%.*

### **Auditors' Opinion on Financial Statements**

- Fairly stated in all material respects.*
- Considered a "clean" or "unmodified" report. An auditor gives an unmodified opinion if the financial statements present a true and fair view. Additionally, Fisher had no "audit findings" in their FY21 Financial Statements. With no findings, Fisher's audit is significant in the auditors' assessment of its accuracy.*