

FY 2020

Business Report

(The 15th Fiscal Year)



From April 1, 2020

To March 31, 2021

The Public University Corporation

The University of Aizu

The Public University Corporation, the University of Aizu Business Report

I . Basic Information

1. Goals

<Fundamental Perspective>

The Public University Corporation, the University of Aizu is the founder and manager of the University of Aizu (hereinafter the “UoA”) and the University of Aizu Junior College Division (hereafter the “JCD”), and has the mission to contribute to the advancement of scientific technologies and academic knowledge by fostering talents and conducting research in the fields of computer science and engineering, industrial informatics, as well as food and nutritional science and study of early childhood education, in parallel with contributing to industrial and cultural promotion.

In addition, the entire corporation will aim at achieving the following basic goals below for contributions to the recovery of the prefecture from the Great East Japan Earthquake and to regional revitalization.

<Basic Goals>

- The University

The University shall aim at realization of its founding principle, “to Advance Knowledge for Humanity” (to make inventions and discoveries for peace and prosperity for humanity). The University shall also endeavor to contribute to the future of our nation and local communities by taking a leading role as a pioneer on an international level.

1. Nurture internationally viable individuals as researchers, technical experts, leaders and entrepreneurs who will support technological innovations, rich in creativity and having a strong sense of ethics.
2. Promote research and development in computer science and engineering to lead the world and to contribute to society and academia.
3. Contribute to advancement of the prefecture’s industry and culture by pursuing practicability and effectiveness in diversified areas related to education and research.

- The Junior College

Taking advantage of each of its specialty fields, the Junior College shall aim at contribution to regional communities and the improvement/development of culture and industry, through fostering of the individuals with practical skills necessary in the workplace and in life.

1. Foster professionals who have the ability to contribute to society through the utilization of the specialized knowledge and technical skills they have acquired.
2. Foster talents with a broad range of knowledge and a strong sense of ethics.
3. Provide local residents with opportunities for lifelong learning in order to contribute to the formation of a knowledge-based society.
4. Collaborate with academia, industry, the local population, and government in the region for contribution to its rejuvenation.

- Shared Goals of the University and the Junior College

1. Taking advantage of characteristic of the university, it shall contribute to revitalization of the prefecture from the Great East Japan Earthquake.
2. Flexible and proactive actions based on various changes on local needs such as depopulation, and advanced less-child and aging society

2. Duties

During the third medium-term goal period starting from AY2018, our university corporation is expected to engage in education, research, and regional contribution in a manner that leverages the characteristics of both the University of Aizu (hereinafter “UoA”) and the Junior College Division (hereinafter “JCD”). In addition, we are expected to contribute to the recovery from the Great East Japan Earthquake and regional revitalization.

The most important social roles of a university as a higher education institution are to admit students, nurture them, and send them off into society as workers or researchers. In order to maintain and improve the quality of our research and education, etc., which is essential for the achievement of this mission with the shrinking 18-and-under population, it is vital for us to attract more applicants and secure more new students with the qualities we desire.

Under the circumstances, the UoA conducted effective high school visits (both in and outside Fukushima Prefecture) to recruit applicants and verified the entrance examination system. In the JCD, the Admission and PR Center led an effort to hold high school visits and information sessions. The UoA and the JCD have maintained the high competition rates through these continuous efforts to promote each school. Furthermore, due to the spread of COVID-19, we were unable to conduct sufficient high school visits in FY 2020. As an alternative, we increase the amount and quality of information available on the website, conducted online higher education consultations, purchased online advertisements, etc. Further, the fact that the UoA and JCD have both maintained an employment rate of nearly 100% is indicative of the good reputation regarding our educational outcomes and contents.

In addition, the UoA has conducted strategic research at its Research Center for Advanced Information Science and Technology (CAIST) and AI Center playing core roles. Also, we proactively promoted the industry-academia-government collaboration in order to obtain external research funds from industry, etc. In addition, having been selected as the "Joint Usage/Research Center" by MEXT in April 2019, our ARC-Space has conducted joint research with researchers around the country. Further, having been selected as the Super Global University by MEXT, the UoA has promoted globalization of the university as one of the characteristics of the university since its establishment through the activities such as the Silicon Valley internship program.

In addition, the UoA and the JCD have conducted the regional contribution projects proactively as public higher educational institutions in the prefecture . In terms of contribution to further the revitalization from the Great East Japan Earthquake, we engaged in many different activities including the implementation of the robotics development support project by the Revitalization Center, the start of the operation at the new research center in the Fukushima Robot Test Field in September 2019, and local contribution through the Center for Local Rejuvenation. Further, in December 2020, the University-Business Innovation Center and the Revitalization Center were selected for the Ministry of Economy, Trade and Industry (METI) Regional Open Innovation Center (Regional Contribution Type), and in March 2021, "Women's ICT Human Resource Development Project" was selected for the 25th (FY2020) Engineering Education Award from the Japan Society for Engineering Education.

As stated above, the UoA and the JCD have made efforts to achieve our basic goals for the third medium-term goal period steadily and appropriately. These efforts have earned us a good reputation in and outside the country, as indicated by the fact that the UoA continuously earned high positions in world-renowned university rankings in recent years.

3. History

April, 1951	Opening of the Aizu Junior College
April, 1957	Name Change to the Fukushima Prefectural Junior College of Aizu
April, 1980	Establishment of the Department of Food and Nutrition Sciences
April, 1993	Opening of the University of Aizu (hereinafter “the UoA”) Name Change to the UoA Junior College Division Establishment of the Department of Industrial Information Sciences
April, 1997	Establishment of the Master's Program at the UoA Graduate School
April, 1999	Establishment of the Doctoral Program at the UoA Graduate School
April, 2002	Establishment of the UoA University-Business Innovation Center
April, 2006	Transition to the University Corporation
April, 2009	Establishment of the UoA Research Center for Advanced Information Science and Technology (CAIST)
March, 2013	Establishment of the UoA Revitalization Center
April, 2015	Establishment of the UoA Center for Globalization
April, 2016	Establishment of the Department of Early Childhood Education in JCD
April, 2019	Establishment of Aizu Research Center for Space Informatics

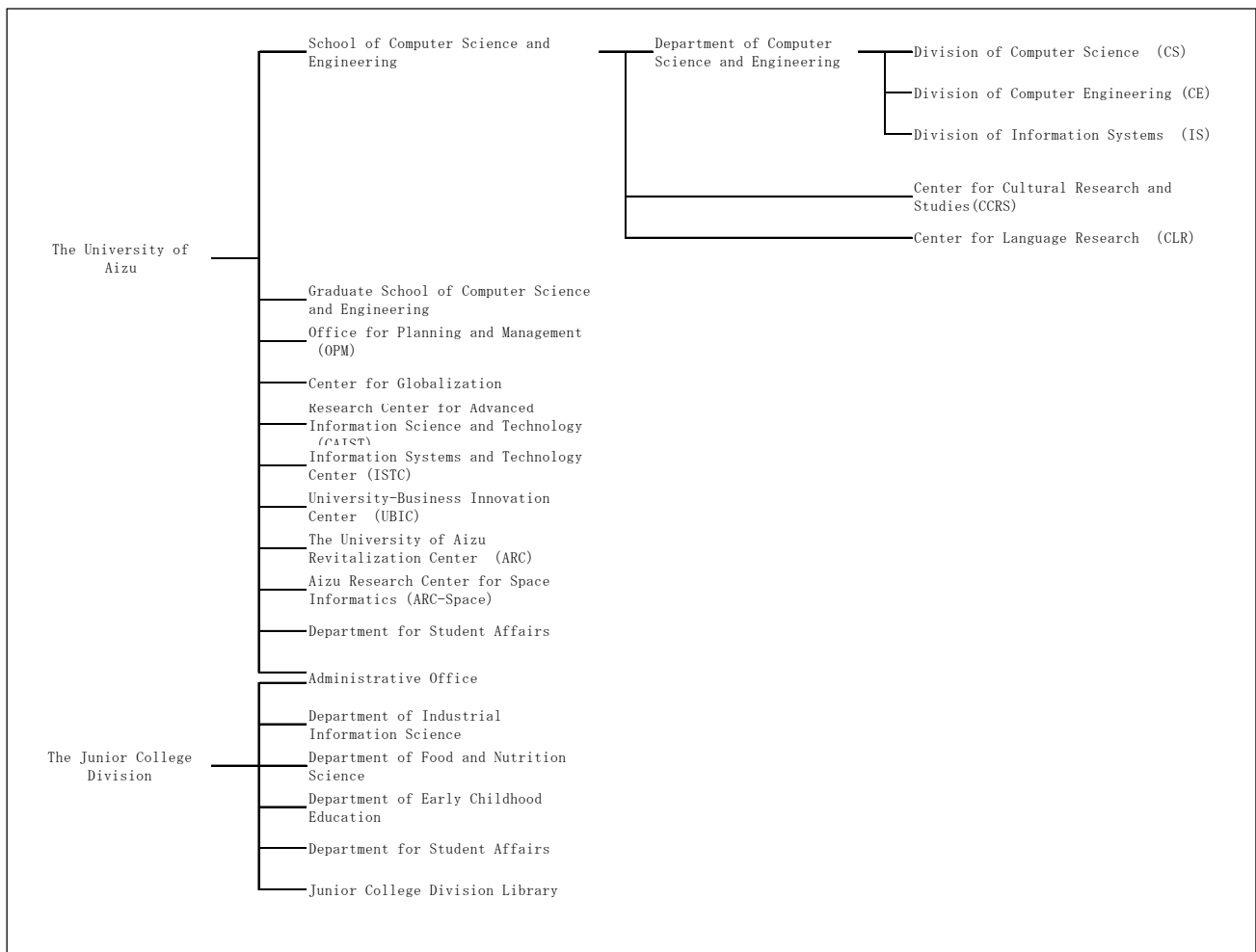
4. Base Law for the Establishment

Local Independent Administrative Agency Act (Act No. 118 of 2003)

5. Administration

Fukushima Prefecture

6. Organizational Chart (Overview)



7. Office Location (including secondary office)

Aizuwakamatsu City, Fukushima Prefecture

8. Amount of Capital Stock

19,947,593,953 yen (Fully invested by Fukushima Prefecture)

9. Number of Students (as of May 1, 2020)

A total	1,580	
The UoA	1,269	
Undergraduate School		1,077
Graduate School (Master's Program)		146
(Doctoral Program)		46
The JCD	311	
Department of Industrial Information Sciences		130
Department of Food and Nutrition Sciences		81
Department of Early Childhood Education		100

10. Executives

Position	Name	Term of Office	Background
Chairperson of the Board of Executives	Toshiaki Miyazaki	April 1, 2020 to March 31, 2024	April, 2005 Professor at the UoA April, 2008 ~ March, 2014 Chair of the Department of Computer and Information Systems, Graduate School of Computer Science and Engineering April, 2014 ~ March, 2020 Regent / Dean of the Undergraduate School
Vice Chairperson (In charge of Research)	Qiangfu Zhao	April 1, 2020 to March 31, 2022	April, 1999 Professor at the UoA April, 2010 ~ March, 2012 Director of Information Systems and Technology Center April, 2012 ~ March, 2020 Head of Division of Computer Science
Regent (General Affairs and Financial Affairs)	Tsuguaki Nagata	April 1, 2020 to March 31, 2022	April, 2019 ~ March, 2020 Senior Policy Administrator of Education Bureau
Regent (Education and Academic Affairs)	Tsuneo Tukahara	April 1, 2020 to March 31, 2022	April, 2006 Professor at the UoA April, 2012 ~ March, 2016, April, 2018 ~ March, 2020 Director General of the Department for Student at the UoA

Regent (Management and External Affairs)	Jiro Iwase	April 1, 2007 to March 31, 2022	April, 2002 ~ March, 2007 Head of the Department of Software Engineering, IBM Japan
Regent (The Junior College Division)	Makoto Ishimitsu	April 1, 2018 ~ March 31, 2022	April, 1992 Instructor at the JCD April, 2005 Professor at the JCD April, 2013~ March, 2018 Director of the Department of Industrial Information Sciences, the JCD
Auditor (Part time)	Yoshio Funaki	April 1, 2014 to August 31, 2022	Funaki Yoshio Law Office
Auditor (Part time)	Sei Sato	April 1, 2016 to August 31, 2022	Saito Sei Accounting Office

11. Status of Faculty and Administrative Staff Members (as of May 1, 2020)

The University of Aizu

Faculty members: 133 (Full time: 106, Part time: 27)

Administrative staffs: 120(Full time: 58, Part time: 62)

(Situation of full-time faculty/administrative staffs)

The ratio of full-time employees decreased by 0.6% (one staff) compared to the last academic year, and the average age is 46.3 years old. 33 of the full-time employees are dispatched personnel from local government.

The Junior College Division

Faculty members: 70 (Full time:32, Part time: 38)

Administrative staffs: 20 (Full time:13, Part time: 7)

(Situation of full-time faculty/administrative staff)

The ratio of full-time employees increased by 2.3% (one staff) compared to the last academic year, and the average age is 45.4 years old. 6 of the full-time employees are dispatched personnel from local government.

II. Summary of Financial Statements

(Please refer to the attached “Accounting Titles in Financial Statements” for explanations on each account title.)

1. Balance Sheet (<http://www.u-aizu.ac.jp/intro/outline/zaimu/>)

(Unit: million yen)

Assets	Amount	Liabilities	Amount
Fixed Assets	16,320	Fixed Liabilities	3,067
Tangible Fixed Assets	15,778	Assets Offsetting Liabilities	2,918
Land	6,583	Long-term Lease Liabilities	136
Buildings	15,906	Other Fixed Liabilities	12
Accumulated Depreciation, etc.	△9,169	Current Liabilities	1,107
Structure	1,121	Accounts Payable	474
Accumulated Depreciation, etc.	△867	Short-term Lease Liabilities	253
Tools, Fixtures and Durable Goods	2,224	Other Current Liabilities	379
Accumulated Depreciation, etc.	△1,614	Total Liabilities	4,175
Library Materials	1,495		
Other Tangible Assets	98	Net Assets	
Other Fixed Assets	541	Capital Stock	19,947
Current Assets	2,304	Contributions by Local Government	19,947
Cash and Deposits	2,051	Capital Surplus	△7,355
Other Current Assets	252	Retained Earnings	1,856
		(Net Loss Carried Forward)	
		Total Net Assets	14,449
Total Assets	18,624	Total Liabilities and Net Assets	18,624

2. Income Statement (<http://www.u-aizu.ac.jp/intro/outline/zaimu/>)

(Unit: million yen)

	Amount
Ordinary Expenses (A)	4,713
Operating Expenses	4,244
Education Expenses	417
Research Expenses	464
Education and Research Support Expenses	783
Personnel Expenses	2,481
Other	97
General and Administrative Expenses	458
Financial Expenses	10
Miscellaneous Loss	0
Ordinary Revenue (B)	5,023
Revenues from Management Expenses Grants	3,370
Revenues from Student Fees	966
Other Revenues	786
Nonrecurring Gain and Loss (C)	△11
Reversal Amounts of Reserve for Specific Purposes (D)	45
Current Gross Profit (Current Gross Loss) (B-A+C+D)	343

3. Cash Flow Statement (<http://www.u-aizu.ac.jp/intro/outline/zaimu/>)

(Unit: million yen)

	Amount
I. Cash Flows from Operating Activities(A)	968
Expenses for purchase of materials, goods, or services	△1,114
Personnel Expenses	△2,522
Other Operating Expenses	△416
Revenues from Management Expenses Grants	3,477
Revenues from Student Fees	858
Other Operating Revenues	686
II. Cash Flows from Investing Activities(B)	△369
III. Cash Flows from Financing Activities(C)	△403
IV. Increase (or decrease) in funds (D=A+B+C)	195
V. Opening Balance of Capital (E)	1,855
VI. Final Balance of Capital (F=E+D)	2,051

4. Cost Statement for Implementation of Administrative Services

(<http://www.u-aizu.ac.jp/intro/outline/zaimu/>)

(Unit: million yen)

	Amount
I Operating Costs	3,533
Expenses shown on Income Statement	4,728
(Deduction) Self-income, etc.	△1,195
(Other Costs for Implementation of Administrative Services)	
II. Amount Equivalent to Depreciations Not Associated with Profit and Loss	372
III. Equivalent to Balance of Sale or Disposal Not Associated with Profit and Loss	25
IV. Increases in Estimated Amount Not Associate with Accrued Bonus	7
V. Increases in Estimated Amount Not Associated with Accrued Benefit	10
VI. Opportunity Costs	14
VII Costs for Implementation of Administrative Services	3,964

5. Financial Information

(1) Summary of the items stated in the Financial Statement

① Analysis of major financial data (Breakdown and reasons for increase/decrease)

a. Balance Sheet Related Information

(Total Assets)

The total value of assets was 18,624M (a year-on-year decrease of 1.2 % or 227M yen). This includes fixed assets of 16,320M yen mainly consisting of land, buildings, and educational and research-purpose machines, etc. which account for 87.6% of the total value of assets.

The value of current assets is 2,304M yen including 2,051M yen of cash on hand and in banks. The amount of account payable due in April is 474M yen, which is recorded separately.

The primary factor in the decrease in assets was a decrease in leased assets of the computer systems, etc. due the years that have elapsed since the signing of the lease contract, and the depreciation of buildings, etc.

(Total Liabilities)

The total amount of liabilities was 4,175M yen (a year-on-year decrease of 3.7% or 160M yen). This includes fixed liabilities of 3,067M yen which consists of 2,918M yen assets offsetting liabilities as the majority. This amount of offsetting liabilities mainly corresponds to the undepreciated balance of fixed assets.

The total amount of current liabilities was 1,107M yen including accounts payable of 474M yen, and short-term lease liabilities for computers of 253M yen.

The primary factor in the decrease of liabilities was a decrease in long-term lease liabilities due to the lapsing of the period of the lease.

(Total Net Assets)

The total net asset was 14,449M yen (a year-on-year decrease of 0.5 % or 66M yen).

The net assets included the capital of 19,947M yen which consists of land and buildings, etc., invested in kind by the Government of Fukushima Prefecture for operational infrastructure of the University.

The amount of capital surplus was a deficit of 7,355M yen, for which the calculation formula is as follows:

The amount of structures and other assets granted by the Government of Fukushima Prefecture at no cost, as well as Somei House was 1,969M yen. The accumulated depreciation expenses of 9,324M yen related to assets invested by the Government of Fukushima Prefecture (excluded in depreciation associated with profit and loss based on the Accounting Standards) have been deducted from this amount.

The amount of earned surplus was 1,856M yen, and consisted of the carry-over reserved funds from the previous medium-term goals period and 343M yen of unappropriated surplus at the end of the fiscal year.

The primary factor in the decrease in net assets was the depreciation (not included in income) of buildings, etc. in invested by the Government of Fukushima Prefecture.

b. Income Statement Related Information

(Ordinary Expenses)

The total ordinary expense was 4,713M yen (a year-on-year decrease of 1.0% or 48M yen), including education and research expenses of 1,665M yen, personnel expenses of 2,481M yen, and general administration expenses of 458M yen.

The percentage of personnel cost in relation to ordinary expenses was 52.6%, and the percentage of educational and research expenses was 35.3%, These two items account for 87.9% of ordinary costs. of ordinary expenses. In our corporation, as infrastructure for education and research, the amount of expenses for lease and maintenance of computers is large.

The primary factor in the decrease of ordinary costs was a decrease in maintenance costs for renewal and maintenance work for facilities and equipment added to cost.

(Ordinary Income)

The total amount of ordinary income was 5,023M yen (a year-on-year decrease of 0.2% or 11M yen), mainly consisting of operational subsidies from the Government of Fukushima Prefecture of 3,270M yen, which was 65.1% of ordinary income, and student-related income such as tuition and admission fee for which amount was 966M yen and was 19.2% of ordinary income.

The primary factor in the decrease of ordinary income was a decrease in income originated from operational subsidies, which are the source of funding for maintenance work.

(Nonrecurring Gain and Loss)

Remains of nonrecurring losses after deducting extraordinary profits was 11M yen (a year-on-year decrease of 62.9% or 4M yen).

The primary factor in the decrease was an increase in loss on retirement of fixed assets due to the implementation of maintenance work.

(Reversal Amounts of Reserve for Specific Purposes)

Out of 178M yen used as facility repair expenses etc., 45M yen was recorded as the reversal of Reverse Funds for Specific Purposes excluding the amount recorded as assets.

(Current Gross Profit)

As a result of adding the reversal of the reserve funds for specific purposes into the net profits above, gross profit for FY 2020 was 343M yen (a year-on-year increase of 5.9% or 19M yen).

c. Cash Flow Statement

(Cash Flows from Operating Activities)

The total amount of cash flows from operating activities was 968M yen which was 13.8% or 117M yen more than that of FY2019.

The primary factors of the increase were a decrease in other operating expenses by 136M yen or 24.7% yen less than that of FY2019 due to the repair work and an increase in revenues from subsidies by 76M yen which was 22.2% less than that of FY2019.

(Cash Flows from Investing Activities)

The total amount of cash flows from investing activities was 369M yen which was 94.3% or 179M yen less than that of FY2019.

The primary factor of the decrease in cash flows from investing activities was an increase in expenses for the acquisition of tangible fixed assets in the repair work by 201M yen which was 113.8% more than that of FY2019.

(Cash Flows from Financing Activities)

The total amount of cash flows from financing activities was 403M yen which was 1.0% or 4M yen more than that of FY2019.

The primary factor of the increase in cash flows from financing activities was a decrease in amount of interest paid of the lease expenses of the computer systems, etc. by 5M yen, which was 36.3% less than that of FY2019 due the years that have elapsed since the signing of the lease contract.

d. Cost Statement for Implementation of Administrative Services

(Cost for Implementation of Administrative Services)

The total amount of costs for implementation of administrative services was 3,964M yen which was 2.1% or 82M yen more than that of FY2019.

The primary factor of the increase in costs for implementation of administrative services was an increase in Estimated Amount of Increase in Retirement Benefits other than the Reserve for Retirement Allowances, which was 54M yen more than that of FY2019 due to a change in the number of eligible faculty members, etc.

(Table: Timeline of Main Financial Data)

(Unit: million yen)

Category	FY2016	FY2017	FY2018	FY2019	FY2020
Total Assets	18,867	18,451	19,322	18,851	18,624
Total Liabilities	4,347	3,956	4,704	4,336	4,175
Total Net Assets	14,519	14,495	14,618	14,515	14,449
Ordinary Expenses	4,845	5,117	4,609	4,761	4,713
Ordinary Revenue	4,892	5,222	4,907	5,035	5,023
Net Loss and Gain	179	469	298	324	343
Cash Flows from Operating Activities	592	458	1,182	851	968
Cash Flows from Investing Activities	△97	△62	△317	△190	△369
Cash Flows from Financing Activities	△428	△485	△418	△407	△403
Final Balance of Capital	1,245	1,156	1,602	1,855	2,051
Cost for Implementation of Administrative Services	4,127	4,359	3,753	3,881	3,964
(Breakdown)					
Operating Costs	3,719	3,962	3,447	3,552	3,533
Operating costs in Income Statement	4,846	5,117	4,619	4,769	4,728
Self-generated Income	△1,127	△1,154	△1,171	△1,217	△1,195
Amount Equivalent to Depreciation not Associated with Profit and Loss	328	327	355	369	372
Amount Equivalent to Impairment Loss not Associated with Profit and Loss	-	-	13	-	-
Amount Equivalent to Interest Expenses not Associated with Profit and Loss	-	-	-	-	-
Amount Equivalent to Balance of Sales or Disposals not Associated with Profit and Loss	-	1	1	1	25
Increases in Estimated Amount Not Associate with Accrued Bonus	4	8	4	3	7
Increases in Estimated Amount Not Associated with Accrued Benefit	67	55	△68	△44	10
Opportunity Costs	9	6	1	1	14
(Deduction) Payments from the founder of the university	-	-	-	-	-

② Status of Application for Reserve for Specific Purpose, Usage Breakdowns, etc.

Our corporation will request approval for handling of the unappropriated surplus at the end of the term of 339M yen as the “Reverse Funds for Specific Purposes” excluding the expenses for specific purposes of 3M yen, which are classified as “fund reserves.” as written in the “Appropriation of Profits(Draft)” in the Financial Statement.

In FY2020, we appropriated 178M yen of the reserve funds for the purpose of improvement of education/research and organizational operation”.

(2) Status of Development of Main Facilities, etc.

- ① Main facilities, etc., which completed its construction works within the current fiscal year
N/A
- ② Main Facilities, etc., of which establishment or expansion are in progress in the current fiscal year
N/A
- ③ Main facilities, etc., which were disposed within the current fiscal year
President's residence
- ④ Main facilities, etc., which were collateralized in the current fiscal year
N/A

(3) Summary of Budget and Settled Amount

The following table indicates the financial status of our corporation based on the notion of budget and settlement of accounts practiced by the prefectural government.

(Unit: million yen)

Category	FY2016		FY2017		FY2018		FY2019		FY2020		Remarks
	Budget	Settlement	Budget	Settlement	Budget	Settlement	Budget	Settlement	Budget	Settlement	
Revenue	4,931	4,938	4,983	4,988	5,081	5,124	5,108	5,125	5,244	5,265	
Revenues from Management	3,291	3,291	3,248	3,248	3,457	3,457	3,482	3,482	3,526	3,526	
Expenses Grants											
Revenues from Subsidies, etc.	112	132	426	419	266	279	304	341	321	444	
Revenues from Student Fees	894	883	908	901	920	910	920	900	927	867	
Other Revenues	634	632	401	420	438	478	400	401	470	428	
Expenses	4,931	4,545	4,983	4,720	5,081	4,699	5,108	4,727	5,244	4,781	*1)
Education and Research Expenses	3,102	2,783	3,006	2,679	3,217	2,868	3,069	2,899	3,098	2,858	
General and Administrative Expenses	1,106	1,095	1,201	1,217	1,165	1,123	1,559	1,361	1,584	1,456	
Other Expenses	723	667	776	824	698	707	479	465	562	467	
Revenue—Expenses	0	393	0	268	0	425	0	398	0	484	

Note*1) As for the operational expenses, there was a decrease of 463,000,000 yen comparing to the original budget due to the reduction of the actual labor costs, the expenses related to equipment/facility renewal, office costs, the reduction of bidding of facility repairing construction expenses, etc.

III. Explanation on the Business Operation

(1) Breakdown of Financial Resources (Summary of Financial Structure, etc.)

Ordinary Revenues of our corporation was 5,023M yen, and this includes revenues from management expenses grants of 3,270M yen (in a ratio of 65.1% to ordinary revenue, the same shall apply hereinafter), revenues from student fees such as tuition, admission fees of 966M yen (19.2%), and other revenues of 787M yen (15.7%).

(2) Explanations based on the Financial Information and Achievements on Works

The Public University Corporation, the University of Aizu is the legal entity that founded and manages the University of Aizu and the Junior College Division. We have contributed to advancement of science and technology through talent development and research in the fields of computer science and engineering, industrial informatics, food and nutritional science, social welfare studies, and young childhood education, as well as contribution to the promotion of industry and culture. In addition to above, we conducted projects contributing to the recovery from the Great East Japan Earthquake and the creation of the region.

(3) Issues and Policy Measures

The revenues from management expenses grants amount to 65.1% of the total revenues of our corporation, as a financial basis of the corporation. With the management expenses grants shrinking year by year, we will set the improvement and streamlining of the operational management as one of the 3rd-medium-term goals, and will work to achieve the goal by streamlining of our office work, etc. as well as by improving our financial status.

In particular, we will cut back the number of meetings and shorten the time of each meeting, revise conference materials, and strive to streamline paper work and to make it more systematic.

Further, we will strive to increase revenues by obtaining more external research funds, leasing our facilities, licensing our intellectual property, and calling for donations. We will also work to control costs by taking every opportunity, such as planning the budget and placing orders, to check and scrutinize the content of expenses, as well as by analyzing the financial status.

In addition, in order to be able to provide facilities and equipment necessary for education and research on a continuous basis, we will conduct repair work on aging facilities in a systematic manner, and renew machines and equipment in the order of priority. We will appropriately develop communication infrastructure to support the university operation and cutting-edge education and research, as well as taking adequate measures to ensure information security.

IV. Details of Other Matters Related to Operation

1. Budget, income and expenditure plan, and financial plan

(1) Budget

See financial statement (<http://www.u-aizu.ac.jp/intro/outline/zaimu/>)

(2) Income and Expenditure Plan

See Annual Financial Plan and Financial Statement (Income Statement)

(Annual Financial Plan <http://www.u-aizu.ac.jp/intro/outline/corporate/>)

(Financial Statements <http://www.u-aizu.ac.jp/intro/outline/zaimu/>)

(3) Financial Plan

See Annual Financial Plan and Financial Statement (Cash Flow Statement)

(Annual Financial Plan <http://www.u-aizu.ac.jp/intro/outline/corporate/>)

(Financial Statement <http://www.u-aizu.ac.jp/intro/outline/zaimu/>)

2. Outline of Short-term Loan

N/A

3. Obligations of Management Expenses Grants and Details of Transferred Amount in the Term

(1) Details of Changes in Obligation of Management Expenses Grants

(Unit: million yen)

FY	Opening Balance	Subsidies Received in the Current Term	Transferred Amount					Sub Total	Final Balance
			Revenues from Management Expenses Grants	Reversal of Encumbrance for Assets-subsidy for Operation	Reversal of Encumbrance for Allowance for Patent	Collateral Operational Construction in progress			
FY2019	133	-	133	0	0	0	133	0	
FY2020	-	3,477	3,137	53	△2	63	3,252	225	
Total	133	3,477	3,270	53	△2	63	3,385	225	

(2) Breakdown of the Debt Outstanding of the Management Expenses Grants

(Unit: million yen)

Criteria	FY2020	Total	Reason for balance occurrence and Monetization plan
Period-based portion	0	0	
Expense-based portion	225	225	This is the Remaining of personnel expenses, and will be spent and monetized after the next fiscal year.
Total	225	225	

■ Account Titles in Financial Statements

1. Balance Sheet

Tangible Fixed Assets: Tangible fixed assets such as land, buildings, structure which the Public University, etc. will use for a long-term.

Accumulated Impairment Loss: The cumulative amount that decreased the value of assets by impairment treatment (an accounting to reduce the value of Fixed Assets to recoverable service value in the cases where the actual use of Fixed Assets decreases markedly compared to the planned use assumed at the time of acquisition and it is deemed that there is no prospect of recovery, etc.).

Accumulated Depreciation, etc.: Accumulated depreciations and accumulated impairment loss.

Other Tangible Assets: Library materials, tools, fixtures and durable goods, Vehicles, etc.

Other Fixed Assets: Intangible Fixed Assets (Patents, etc.), investments and other assets (investment securities, etc.)

Cash and Deposits: A total amount of cash (including cash, substitute security of currency, check, etc.) and deposits (including ordinary deposit, Current deposit and time deposit with maturity or redemption date within one year, etc.).

Other Current Assets: Income from accrued student payment, inventory assets, etc.

Assets Offsetting Liabilities: In the cases where depreciable assets were acquired through management expenses grants, etc., the amount of obligation of management expenses grants, etc. equivalent to the amount of this depreciable assets in the balance sheet will be transferred as assets offsetting liabilities.

Every time when depreciable assets are amortized, the same amount of assets offsetting liabilities equivalent to the amount of calculated assets offsetting liabilities will be transferred to the amount of refunded assets (account of profit.)

Long-term Debt, etc.: Long-term debt, etc. which the Public University borrowed for the procurement of business funds such as accounts payable for PFI (Private Finance Initiative) and long-term lease liabilities.

Allowances: Expenses or losses which are calculated based on the expected expenses or losses as the expenses or losses including allowance for retirement benefit, etc.

Obligation of Management Expenses Grants: Amount equivalent to amount of unused management expenses grants granted from local government.

Contributions by Local Government: Amount equivalent to amount of contributions from local government.

Capital Surplus: Amount equivalent to the amount of assets (buildings, etc.) which were acquired by using facilities expenses, etc. granted by local government.

Retained Earnings: Accumulated amount of retained earnings generated by the operation of the Public University, etc.

Loss Carried Forward: Accumulated amount of losses occurred by the operation of the Public University, etc.

2. Income Statement

Operating Expenses: Expenses required for the operation of the Public University, etc.

Education Expenses: Expenses required for the operation of the Public University, etc. to provide education for the students, etc.

Research Expenses: Expenses required for the research activities operated by the Public University, etc.

Education and Research Support Expenses: Expenses required for operating facilities or organizations for use by both faculty members and students, which are not belong to department, etc. in particular and were established to support education and research for the overall corporation.

Personnel Expenses: Expenses used for salaries, bonuses, employee benefits, etc. of executives, faculty and administrative staff members at the Public University, etc.

General and Administrative Expenses: Expenses required for the management and other operation of the Public University, etc.

Financial Expenses: Interest paid, etc.

Revenues from Management Expenses Grants: Amount equivalent to the current incomes by management expenses grants.

Revenues from Student Fees: Total amount of incomes from tuitions, admission fees, entrance examination fees.

Other Revenues: Incomes from consignment studies, contributions, subsidies, etc.

Nonrecurring Gain and Loss: Gain and loss by sale (disposal) of fixed assets, etc.

Reversal Amounts of Reserve for Specific Purposes: Used amount of reserve for specific purpose (amount of current gross profit which were approved to use for the improvement of the quality of education and research in particular.)

3. Cash Flow Statement

Cash Flows from Operating Activities: This represents the balance between expenses for purchasing of materials, goods, or services, personnel expenses and revenues from management expenses grants, etc. required for the regular operation of the Public University, etc.

Cash Flows from Investing Activities: This represents the balance of funds for investing activities conducted to ensure the management bases for the future revenues and expenses, etc. by acquisition or sale, etc. of fixed assets and securities.

Cash Flows from Financing Activities: This Represents the balance of funds for fund procurement and repayment including Revenue and Expenses due to increase/decrease of funds, Revenue · Expenses due to issuance and redemption of bonds, borrowing and repayment.

Effect of Exchange Rate Changes on Capital: Amount equivalent to differences when transactions in foreign currencies translated into Japanese yen.

4. Cost Statement for Implementation of Administrative Services

Cost for Implementation of Administrative Services: Costs of business operations of the Public

University, etc. to be borne by present or future tax revenue sources

Operating Costs: Among the amount of business implementation costs of public university corporations etc., the equivalent amount after deducting self-income such as student payment etc. from expenses on the income statement

Amount Equivalent to depreciation not Associated with Profit and Loss: Amount equivalent to depreciation of assets which are not expected to earn revenue generally, such as Lecture Hall, Research Quadrangles, etc. and their facilities.

Amount Equivalent to Impairment Loss Not Associated with Profit and Loss: Amount equivalent to impairment loss generated despite implementing duties stated in the mid-term plans, etc. conducted by the Public University, etc.

Amount Equivalent to Interest Expenses Not Associated with Profit and Loss: Annual adjustment on amount of asset retirement obligation which are not expected to gain general incomes by using facilities such as auditorium and research quadrangles.

Amount Equivalent to Differences of Sale or Disposal Not Associated with Profit and Loss: Amount equivalent to differences from the book value in case that assets which are not expected to gain general incomes by using facilities such as auditorium and research quadrangles are sold or disposed.

Increases in Estimated Amount Not Associate with Accrued Bonus: Estimated equivalent increase in bonus allowance equivalent when it is deemed clear that the payment source is Management Expenses Grants. Recorded as a difference from the previous business year (the total amount of estimated reserves for non-provisional bonuses for this fiscal year is noted in the balance sheet.)

Increases in Estimated Amount Not Associated with Accrued Benefit: Estimated increase in retirement benefit when financial source measures are deemed to be made by management expenses grants. Recorded as a difference from the previous fiscal year (the total estimated amount of allowance for unfunded retirement benefits for this fiscal year is noted in the balance sheet.)

Opportunity Costs: Amount to be originally borne in case of leasing the property of the national government or local government without charge or reduced fee, etc.