Form 990

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

The organization may have to use a copy of this return to satisfy state reporting requirements.

For the 2003 calendar year, or tax year beginning JANUARY 1, 2003, and ending DECEMBER 31, 2003

**B** Check if applicable
1. Address change
2. Name change
3. Initial return
4. Final return
5. Amended return

**C** Name of organization

THE FRASER INSTITUTE

**D** Employer Identification number

98: 0032427

**E** Telephone number

(641) 688-0271 Ext. 581

**F** Accounting method

- [ ] Cash
- [ ] Accrual

**G** Website

fraserinstitute.ca

**H** (a) Is this a group return (or affiliates)?

- [ ] Yes
- [ ] No

(b) If Yes, enter number of affiliates

(c) Are all affiliates included?

- [ ] Yes
- [ ] No

(d) Is this a separate return filed by an organization covered by a group ruling?

- [ ] Yes
- [ ] No

**K** Check here if the organization's gross receipts were normally not more than $25,000. The organization need not file a return with the IRS, but if the organization received a Form 990 Package in the mail, it should file a return without financial data. Some states require a complete return.

**L** Gross receipts: Add lines 6a, 8b, 9a, and 10b to line 12

### Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances

See page 18 of the instructions.

<table>
<thead>
<tr>
<th>Line</th>
<th>Revenue</th>
<th>Expenses</th>
<th>Net Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>5,805,145</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6a</td>
<td>Gross rents</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>129,857</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Schedule C

- **1a** Contributions, gifts, grants, and similar amounts received:
  - Direct public support
  - Indirect public support
  - Government contributions
  - Total (add lines 1a through 1c)

- **2** Program service revenue including government fees and contracts

- **3** Membership dues and assessments

- **4** Interest on savings and temporary cash investments

- **5** Dividends and interest from securities

- **6a** Gross rents

- **6b** Less: rental expenses

- **6c** Net rental income or (loss)

- **7** Other investment income

- **8a** Gross amount from sales of assets other than inventory

- **8b** Less: cost or other basis and sales expenses

- **8c** Gain or (loss) (attach schedule)

- **9** Special events and activities (attach schedule)

- **10a** Gross sales of inventory, less returns and allowances

- **10b** Less: cost of goods sold

- **10c** Gross profit or (loss)

- **11** Other revenue (from Part VII, line 103)

- **12** Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 10c, and 11)

- **13** Program services (from line 44, column (B))

- **14** Management and general (from line 44, column (C))

- **15** Fundraising (from line 44, column (O))

- **16** Payments to affiliates (attach schedule)

- **17** Total expenses (add lines 16 and 44, column (A))

- **18** Excess of deductions for prior year (exclude line 17 from line 12)

- **19** Net assets or fund balances at beginning of year (from line 73, column (A))

- **20** Other changes in net assets or fund balances (attach explanation)

- **21** Net assets or fund balances at end of year (combine lines 18, 19, and 20)

For Paperwork Reduction Act Notice, see the separate instructions.
### Part II  Statement of Functional Expenses

All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others. (See page 22 of the instructions.)

<table>
<thead>
<tr>
<th>Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.</th>
<th>(A) Total</th>
<th>(B) Program services</th>
<th>(C) Management and general</th>
<th>(D) Fundraising</th>
</tr>
</thead>
<tbody>
<tr>
<td>22 Grants and allocations (attach schedule)</td>
<td>22</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(cash $)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(noncash $)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>23 Specific assistance to individuals (attach schedule)</td>
<td>23</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>24 Benefits paid to or for members (attach schedule)</td>
<td>24</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>25 Compensation of officers, directors, etc.</td>
<td>25</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>26 Other salaries and wages</td>
<td>26</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>27 Pension plan contributions</td>
<td>27</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>28 Other employee benefits</td>
<td>28</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>29 Payroll taxes</td>
<td>29</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>30 Professional fundraising fees</td>
<td>30</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>31 Accounting fees</td>
<td>31</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>32 Legal fees</td>
<td>32</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>33 Supplies</td>
<td>33</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>34 Telephone</td>
<td>34</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>35 Postage and shipping</td>
<td>35</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>36 Occupancy</td>
<td>36</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>37 Equipment rental and maintenance</td>
<td>37</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>38 Printing and publications</td>
<td>38</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>39 Travel</td>
<td>39</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>40 Conferences, conventions, and meetings</td>
<td>40</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>41 Interest</td>
<td>41</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>42 Depreciation, depletion, etc. (attach schedule)</td>
<td>42</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>43 Other expenses not covered above (itemize)</td>
<td>43a</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>b</td>
<td>43b</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>c</td>
<td>43c</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>d</td>
<td>43d</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>e</td>
<td>43e</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>44 Total functional expenses (add lines 22 through 43)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Organizations completing columns (B)-(D), carry these totals to lines 13-15.

**Joint Costs.** Check ☐ if you are following SOP 98-2.

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? ☐ No ☑ Yes

If “Yes,” enter (i) the aggregate amount of these joint costs $_________; (ii) the amount allocated to Program services $_________; (iii) the amount allocated to Management and general $_________; and (iv) the amount allocated to Fundraising $_________.

### Part III  Statement of Program Service Accomplishments

(See page 25 of the instructions.)

What is the organization’s primary exempt purpose? ☑ Research & Education

All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)

<table>
<thead>
<tr>
<th>(Grants and allocations $)</th>
<th>4,489,580 per Schedule 2, col.B</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. See Schedule 1, Note 1 and annual report (attached)</td>
<td></td>
</tr>
<tr>
<td>b.</td>
<td></td>
</tr>
<tr>
<td>c.</td>
<td></td>
</tr>
<tr>
<td>d.</td>
<td></td>
</tr>
<tr>
<td>e. Other program services (attach schedule)</td>
<td>(Grants and allocations $)</td>
</tr>
<tr>
<td>f. Total of Program Service Expenses (should equal line 44, column (A))</td>
<td></td>
</tr>
</tbody>
</table>
**Part IV  Balance Sheets** (See page 25 of the instructions.)

<table>
<thead>
<tr>
<th>Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.</th>
<th>(A) Beginning of year</th>
<th>(B) End of year</th>
</tr>
</thead>
<tbody>
<tr>
<td>45 Cash—non-interest-bearing</td>
<td>510</td>
<td>45 43</td>
</tr>
<tr>
<td>46 Savings and temporary cash investments</td>
<td>3,194,048</td>
<td>46 2,686,766</td>
</tr>
<tr>
<td>47a Accounts receivable</td>
<td>51,905</td>
<td>47b 55,619</td>
</tr>
<tr>
<td>b Less: allowance for doubtful accounts</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>48a Pledges receivable</td>
<td>388,500</td>
<td>48b 48c 388,500</td>
</tr>
<tr>
<td>b Less: allowance for doubtful accounts</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>49 Grants receivable</td>
<td>49</td>
<td></td>
</tr>
<tr>
<td>50 Receivables from officers, directors, trustees, and key employees (attach schedule)</td>
<td>50</td>
<td></td>
</tr>
<tr>
<td>51a Other notes and loans receivable (attach schedule)</td>
<td>51b 51c</td>
<td></td>
</tr>
<tr>
<td>b Less: allowance for doubtful accounts</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>52 Inventories for sale or use</td>
<td>52,651</td>
<td>52 34,489</td>
</tr>
<tr>
<td>53 Prepaid expenses and deferred charges</td>
<td>53,684</td>
<td>53 16,613</td>
</tr>
<tr>
<td>54 Investments—securities (attach schedule)</td>
<td>54</td>
<td></td>
</tr>
<tr>
<td>55a Investments—land, buildings, and equipment, basis</td>
<td>55b 55c</td>
<td></td>
</tr>
<tr>
<td>b Less: accumulated depreciation (attach schedule)</td>
<td>55c</td>
<td></td>
</tr>
<tr>
<td>56 Investments—other (attach schedule) Schedule 1, Note 5</td>
<td>3,454,531</td>
<td>56 3,651,251</td>
</tr>
<tr>
<td>57a Land, buildings, and equipment: basis</td>
<td>1,237,288</td>
<td>57b 992,490</td>
</tr>
<tr>
<td>b Less: accumulated depreciation (attach schedule)</td>
<td>57c</td>
<td></td>
</tr>
<tr>
<td>58 Other assets (describe Schedule 1, Note 2)</td>
<td>58 1,392,052</td>
<td>59 1,556,909</td>
</tr>
<tr>
<td>59 Total assets (add lines 45 through 58) (must equal line 74)</td>
<td>8,523,943</td>
<td>59 8,161,947</td>
</tr>
<tr>
<td>60 Accounts payable and accrued expenses</td>
<td>1,080,951</td>
<td>60 1,409,044</td>
</tr>
<tr>
<td>61 Grants payable</td>
<td>61</td>
<td></td>
</tr>
<tr>
<td>62 Deferred revenue</td>
<td>62</td>
<td></td>
</tr>
<tr>
<td>63 Loans from officers, directors, trustees, and key employees (attach schedule)</td>
<td>63</td>
<td></td>
</tr>
<tr>
<td>64a Tax-exempt bond liabilities (attach schedule)</td>
<td>64a</td>
<td></td>
</tr>
<tr>
<td>b Mortgages and other notes payable (attach schedule)</td>
<td>64b</td>
<td></td>
</tr>
<tr>
<td>65 Other liabilities (describe )</td>
<td>65</td>
<td></td>
</tr>
<tr>
<td>66 Total liabilities (add lines 60 through 65)</td>
<td>3,612,374</td>
<td>66 3,391,811</td>
</tr>
</tbody>
</table>

**Organizations that follow SFAS 117, check here □ and complete lines 67 through 69 and lines 73 and 74.**

| 67 Unrestricted | 67 | |
| 68 Temporarily restricted | 68 | |
| 69 Permanently restricted | 69 | |

**Organizations that do not follow SFAS 117, check here □ □ □ and complete lines 70 through 74.**

| 70 Capital stock, trust principal, or current funds | 70 | |
| 71 Paid-in or capital surplus, or land, building, and equipment fund | 71 1,375,059 | 71 1,375,059 |
| 72 Retained earnings, endowment, accumulated income, or other funds | 3,531,607 | 72 3,164,104 |
| 73 Total net assets or fund balances (add lines 67 through 69 or lines 70 through 72; column (A) must equal line 19; column (B) must equal line 21) | 73 4,911,662 | 73 5,095,163 |
| 74 Total liabilities and net assets / fund balances (add lines 66 and 73) | 74 8,523,943 | 74 8,461,974 |

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.
### Part IV-A: Reconciliation of Revenue per Audited Financial Statements with Revenue per Return

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>a</strong></td>
<td>Total revenue, gains, and other support per audited financial statements</td>
</tr>
<tr>
<td><strong>b</strong></td>
<td>Amounts included on line <strong>a</strong> but not on line 12, Form 990:</td>
</tr>
<tr>
<td></td>
<td>(1) Net unrealized gains on investments $</td>
</tr>
<tr>
<td></td>
<td>(2) Donated services and use of facilities $</td>
</tr>
<tr>
<td></td>
<td>(3) Recoveries of prior year grants $</td>
</tr>
<tr>
<td></td>
<td>(4) Other (specify):</td>
</tr>
<tr>
<td></td>
<td>Event losses (line 9B) Inventory line 10B $(434,636)</td>
</tr>
<tr>
<td><strong>c</strong></td>
<td>Line <strong>a</strong> minus line <strong>b</strong></td>
</tr>
<tr>
<td><strong>d</strong></td>
<td>Amounts included on line 12, Form 990 but not on line <strong>a</strong>:</td>
</tr>
<tr>
<td></td>
<td>(1) Investment expenses not included on line 6b, Form 990 $</td>
</tr>
<tr>
<td></td>
<td>(2) Other (specify):</td>
</tr>
<tr>
<td></td>
<td>Foreign exchange $(318,595) Co. Officers $ 124,837</td>
</tr>
<tr>
<td><strong>e</strong></td>
<td>Total revenue per line 12, Form 990 (line <strong>c</strong> plus line <strong>d</strong>) $</td>
</tr>
</tbody>
</table>

### Part IV-B: Reconciliation of Expenses per Audited Financial Statements with Expenses per Return

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>a</strong></td>
<td>Total expenses and losses per audited financial statements</td>
</tr>
<tr>
<td><strong>b</strong></td>
<td>Amounts included on line <strong>a</strong> but not on line 17, Form 990:</td>
</tr>
<tr>
<td></td>
<td>(1) Donated services and use of facilities $</td>
</tr>
<tr>
<td></td>
<td>(2) Prior year adjustments reported on line 20, Form 990 $</td>
</tr>
<tr>
<td></td>
<td>(3) Losses reported on line 20, Form 990 $</td>
</tr>
<tr>
<td></td>
<td>(4) Other (specify):</td>
</tr>
<tr>
<td></td>
<td>Event losses (line 9B) Inventory line 10B $(434,636)</td>
</tr>
<tr>
<td><strong>c</strong></td>
<td>Line <strong>a</strong> minus line <strong>b</strong></td>
</tr>
<tr>
<td><strong>d</strong></td>
<td>Amounts included on line 17, Form 990 but not on line <strong>a</strong>:</td>
</tr>
<tr>
<td></td>
<td>(1) Investment expenses not included on line 6b, Form 990 $</td>
</tr>
<tr>
<td></td>
<td>(2) Other (specify):</td>
</tr>
</tbody>
</table>

### Part V: List of Officers, Directors, Trustees, and Key Employees

<table>
<thead>
<tr>
<th>(A) Name and address</th>
<th>(B) Title and average hours per week devoted to position</th>
<th>(C) Compensation (If not paid, enter -0-)</th>
<th>(D) Contributions to employee benefit plans &amp; deferred compensation</th>
<th>(E) Expense account and other allowances</th>
</tr>
</thead>
</table>

Schedules 5A and 5B

Re: Key employees, Note: Trustees do not receive compensation

### Part V Instructions

75 Did any officer, director, trustee, or key employee receive aggregate compensation of more than $100,000 from your organization and all related organizations, of which more than $10,000 was provided by the related organizations? □ Yes □ No

If "Yes," attach schedule—see page 28 of the instructions.
<table>
<thead>
<tr>
<th>Part VI Other Information (See page 28 of the instructions.)</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>76 Did the organization engage in any activity not previously reported to the IRS? If &quot;Yes,&quot; attach a detailed description of each activity.</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>77 Were any changes made in the organizing or governing documents but not reported to the IRS?</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>78a Did the organization have unrelated business gross income of $1,000 or more during the year covered by this return?</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>b If &quot;Yes,&quot; has it filed a tax return on Form 990-T for this year?</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>79 Was there a liquidation, dissolution, termination, or substantial contraction during the year? If &quot;Yes,&quot; attach a statement</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>80a Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization?</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>b If &quot;Yes,&quot; enter the name of the organization and check whether it is exempt or nonexempt.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>81a Enter direct and indirect political expenditures. See line 81 instructions</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>b Did the organization file Form 1120-POL for this year?</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>82a Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>b If &quot;Yes,&quot; you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.)</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>83a Did the organization comply with the public inspection requirements for returns and exemption applications?</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>b Did the organization comply with the disclosure requirements relating to quid pro quo contributions?</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>84a Did the organization solicit any contributions or gifts that were not tax deductible?</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>b If &quot;Yes,&quot; did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>85 501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members?</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>b Did the organization make only in-house lobbying expenditures of $2,000 or less?</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>If &quot;Yes&quot; was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>c Dues, assessments, and similar amounts from members</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>d Section 162(e) lobbying and political expenditures</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>e Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>f Taxable amount of lobbying and political expenditures (line 85d less 85e)</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>g Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>h If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>86 501(c)(7) orgs. Enter: a Initiation fees and capital contributions included on line 12</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>b Gross receipts, included on line 12, for public use of club facilities</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>87 501(c)(12) orgs. Enter: a Gross income from members or shareholders</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>b Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>88 At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If &quot;Yes,&quot; complete Part IX</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>89a 501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>section 4912</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>section 4955</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>b 501(c)(3) and 501(c)(4) orgs. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If &quot;Yes,&quot; attach a statement explaining each transaction.</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>c Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958.</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>d Enter: Amount of tax on line 88c, above, reimbursed by the organization.</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>90a List the states with which a copy of this return is filed</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>b Number of employees employed in the pay period that includes March 12, 2003 (See Instructions.)</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>91 The books are in care of The Fraser Institute. Telephone no. (604) 688-0221. Located at 1370 Burnaby Street, Vancouver, B.C., Canada V6J 3H3.</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>92 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041—Check here</td>
<td>✓</td>
<td></td>
</tr>
</tbody>
</table>
### Part VII  Analysis of Income-Producing Activities

#### Note: Enter gross amounts unless otherwise indicated.

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
<th>Business Code</th>
<th>Amount</th>
<th>Exclusion Code</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>a</td>
<td>Program service revenue:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>b</td>
<td>Medicare/Medicaid payments</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>c</td>
<td>Fees and contracts from government agencies</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>d</td>
<td>Membership dues and assessments</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>e</td>
<td>Interest on savings and temporary cash investments</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>f</td>
<td>Dividends and interest from securities</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>g</td>
<td>Net rental income or (loss) from real estate:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a</td>
<td>Debt-financed property</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>b</td>
<td>Not debt-financed property</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>c</td>
<td>net rental income or (loss) from personal property</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>d</td>
<td>Other investment income</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>e</td>
<td>Gain or (loss) from sales of assets other than inventory</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>f</td>
<td>Net income or (loss) from special events</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>g</td>
<td>Gross profit or (loss) from sales of inventory</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>h</td>
<td>Other revenue:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>i</td>
<td>Income from sale of event property</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>j</td>
<td>Tapes, papers</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>k</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>l</td>
<td>Subtotal (add columns (B), (D), and (E))</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>m</td>
<td>Total (add line 104, columns (B), (D), and (E))</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### Part VIII  Relationship of Activities to the Accomplishment of Exempt Purposes

#### Part IX  Information Regarding Taxable Subsidiaries and Disregarded Entities

#### Part X  Information Regarding Transfers Associated with Personal Benefit Contracts

#### Declaration

I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

**Signature of officer**

**Executive Director**

**Date** 29 April 2004

**Type or print name and title**

**Preparer's signature**

**Preparer's SSN or PTIN (See Gen Inst W)**

**Preparer's name or yours**

**Phone no.**
### SCHEDULE A (Form 990 or 990-EZ)

**Organization Exempt Under Section 501(c)(3)**

(Except Private Foundation) and Section 501(e), 501(f), 501(k),
501(n), or Section 4947(a)(1) Nonexempt Charitable Trust

Supplementary Information—(See separate instructions.)

**MUST be completed by the above organizations and attached to their Form 990 or 990-EZ.**

<table>
<thead>
<tr>
<th>Name of the organization</th>
<th>Employer identification number</th>
</tr>
</thead>
<tbody>
<tr>
<td>THE FRASER INSTITUTE</td>
<td>98: 0032427</td>
</tr>
</tbody>
</table>

#### Part I: Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees

(Substitute Schedule A

(See page 1 of the instructions. List each one. If there are none, enter "None.")

<table>
<thead>
<tr>
<th>(a) Name and address of each employee paid more than $50,000</th>
<th>(b) Title and average hours per week devoted to position</th>
<th>(c) Compensation</th>
<th>(d) Contributions to employee benefit plans &amp; deferred compensation</th>
<th>(e) Expense account and other allowances</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Please refer to Schedule...</strong></td>
<td><strong>5, attached.</strong></td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Total number of other employees paid over $50,000 (CAD $45,000): **0**

#### Part II: Compensation of the Five Highest Paid Independent Contractors for Professional Services

(See page 2 of the instructions. List each one (whether individuals or firms). If there are none, enter "None.")

<table>
<thead>
<tr>
<th>(a) Name and address of each independent contractor paid more than $50,000</th>
<th>(b) Type of service</th>
<th>(c) Compensation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Please refer to Schedule...</strong></td>
<td><strong>4, attached.</strong></td>
<td></td>
</tr>
<tr>
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<td></td>
</tr>
</tbody>
</table>

Total number of others receiving over $50,000 for professional services (CAD $45,000): **0**

For Paperwork Reduction Act Notice, see the Instructions for Form 990 and Form 990-EZ.

Cat No 1128SF Schedule A (Form 990 or 990-EZ) 2003
### Part III Statements About Activities

<table>
<thead>
<tr>
<th></th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
<td>✓</td>
</tr>
</tbody>
</table>

During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities. ✓ $__________ (Must equal amounts on line 38, Part VI-A, or line 1 of Part VI-B.)

Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes" must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.

<table>
<thead>
<tr>
<th></th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td></td>
<td>✓</td>
</tr>
</tbody>
</table>

During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions.)

<table>
<thead>
<tr>
<th></th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>a</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>b</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>c</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>d</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>e</td>
<td>✓</td>
<td></td>
</tr>
</tbody>
</table>

3a Do you make grants for scholarships, fellowships, student loans, etc.? (If "Yes," attach an explanation of how you determine that recipients qualify to receive payments.)

<table>
<thead>
<tr>
<th></th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>3a</td>
<td>✓</td>
<td></td>
</tr>
</tbody>
</table>

b Do you have a section 403(b) annuity plan for your employees?

<table>
<thead>
<tr>
<th></th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>3b</td>
<td>✓</td>
<td></td>
</tr>
</tbody>
</table>

4 Did you maintain any separate account for participating donors where donors have the right to provide advice on the use or distribution of funds?

<table>
<thead>
<tr>
<th></th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>4</td>
<td>✓</td>
<td></td>
</tr>
</tbody>
</table>

### Part IV Reason for Non-Private Foundation Status

The organization is not a private foundation because it is: (Please check only ONE applicable box.)

<table>
<thead>
<tr>
<th></th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8</td>
<td></td>
<td></td>
</tr>
<tr>
<td>9</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

10 An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete the Support Schedule in Part IV-A.)

<table>
<thead>
<tr>
<th></th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>10</td>
<td></td>
<td>✓</td>
</tr>
</tbody>
</table>

11a An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(v). (Also complete the Support Schedule in Part IV-A.)

<table>
<thead>
<tr>
<th></th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>11a</td>
<td></td>
<td>✓</td>
</tr>
</tbody>
</table>

11b A community trust. Section 170(b)(1)(A)(vi). (Also complete the Support Schedule in Part IV-A.)

<table>
<thead>
<tr>
<th></th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>11b</td>
<td></td>
<td>✓</td>
</tr>
</tbody>
</table>

12 An organization that normally receives: (1) more than 33⅓% of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions—subject to certain exceptions, and (2) no more than 33⅓% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Also complete the Support Schedule in Part IV-A.)

<table>
<thead>
<tr>
<th></th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>12</td>
<td></td>
<td>✓</td>
</tr>
</tbody>
</table>

13 An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in: (1) lines 5 through 12 above; or (2) section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2). (See section 509(a)(3).)

Provide the following information about the supported organizations. (See page 5 of the instructions.)

(a) Name(s) of supported organization(s)

(b) Line number from above

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
</table>

14 An organization organized and operated to test for public safety. Section 509(a)(4). (See page 6 of the instructions.)
## Part IV-A: Support Schedule

(Complete only if you checked a box on line 10, 11, or 12.) Use cash method of accounting.

**Note:** You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting.

### Calendar year (or fiscal year beginning in)

<table>
<thead>
<tr>
<th></th>
<th>(a) 2002</th>
<th>(b) 2001</th>
<th>(c) 2000</th>
<th>(d) 1999</th>
<th>(e) Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>15</td>
<td>Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)</td>
<td>4,311,835</td>
<td>4,536,184</td>
<td>4,284,963</td>
<td>3,734,235</td>
</tr>
<tr>
<td>16</td>
<td>Membership fees received</td>
<td>55,094,94</td>
<td>35,559</td>
<td>42,372</td>
<td>46,671</td>
</tr>
<tr>
<td>17</td>
<td>Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose.</td>
<td>2,438,480</td>
<td>162,917</td>
<td>94,937</td>
<td>3,305,647</td>
</tr>
<tr>
<td>18</td>
<td>Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975</td>
<td>116,911</td>
<td>149,735</td>
<td>137,932</td>
<td>90,376</td>
</tr>
<tr>
<td>19</td>
<td>Net income from unrelated business activities not included in line 18</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>20</td>
<td>Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>21</td>
<td>The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>22</td>
<td>Other income. Attach a schedule. Do not include gain or loss from sale of capital assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>23</td>
<td>Total of lines 15 through 22</td>
<td>5,065,002</td>
<td>4,964,773</td>
<td>4,581,635</td>
<td>4,315,479</td>
</tr>
<tr>
<td>24</td>
<td>Line 23 minus line 17</td>
<td>5,022,522</td>
<td>4,801,856</td>
<td>4,486,698</td>
<td>3,949,452</td>
</tr>
<tr>
<td>25</td>
<td>Enter 1% of line 23</td>
<td>52,660</td>
<td>49,547</td>
<td>45,816</td>
<td>43,514</td>
</tr>
</tbody>
</table>

### Organizations described on lines 10 or 11

- **a** Enter 2% of amount in column (e), line 24.
- **b** Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 1999 through 2002 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts.
- **c** Total support for section 509(a)(1) test: Enter line 24, column (e).
- **d** Add: Amounts from column (e) for lines 18 and 19.
- **e** Public support (line 26c minus line 26d total).
- **f** Public support percentage (line 26e (numerator) divided by line 26c (denominator)).

### Organizations described on line 12: a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person." Do not file this list with your return. Enter the sum of such amounts for each year:

- **(2002)** 17,253,217
- **(2001)**
- **(2000)**
- **(1999)**

- **b** For any amount included in line 17 that was received from a person other than "disqualified persons), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) $5,000. (Include in the list organizations described in lines 5 through 11, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amount) for each year:

- **(2002)**
- **(2001)**
- **(2000)**
- **(1999)**

- **c** Add: Amounts from column (e) for lines 15 and 16.
- **d** Add: Line 27a total and line 27b total.
- **e** Public support (line 27c minus line 27d total).
- **f** Total support for section 509(a)(2) test: Enter amount from line 23, column (e).
- **g** Public support percentage (line 27e (numerator) divided by line 27f (denominator)).
- **h** Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator)).

### Unusual Grants

For an organization described in line 10, 11, or 12 that received any unusual grants during 1999 through 2002, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.
<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>29</td>
<td>Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body? Yes No</td>
</tr>
<tr>
<td>30</td>
<td>Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships? Yes No</td>
</tr>
<tr>
<td>31</td>
<td>Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? Yes No</td>
</tr>
<tr>
<td>32</td>
<td>Does the organization maintain the following: a) Records indicating the racial composition of the student body, faculty, and administrative staff? b) Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis? c) Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships? d) Copies of all material used by the organization or on its behalf to solicit contributions?</td>
</tr>
<tr>
<td>33</td>
<td>Does the organization discriminate by race in any way with respect to: a) Students' rights or privileges? b) Admissions policies? c) Employment of faculty or administrative staff? d) Scholarships or other financial assistance? e) Educational policies? f) Use of facilities? g) Athletic programs? h) Other extracurricular activities?</td>
</tr>
<tr>
<td>34a</td>
<td>Does the organization receive any financial aid or assistance from a governmental agency? Yes No</td>
</tr>
<tr>
<td>34b</td>
<td>Has the organization's right to such aid ever been revoked or suspended? Yes No</td>
</tr>
<tr>
<td>35</td>
<td>Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev. Proc. 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? Yes No</td>
</tr>
</tbody>
</table>

Schedule A (Form 990 or 990-EZ) 2003
Part VI-A  Lobbying Expenditures by Electing Public Charities (See page 9 of the instructions.)
(To be completed ONLY by an eligible organization that filed Form 5768)
Check □ a □ if the organization belongs to an affiliated group. Check □ b □ if you checked "a" and "limited control" provisions apply.

Limits on Lobbying Expenditures
(The term "expenditures" means amounts paid or incurred.)

| 36 | Total lobbying expenditures to influence public opinion (grassroots lobbying) | 36 |
| 37 | Total lobbying expenditures to influence a legislative body (direct lobbying) | 37 |
| 38 | Total lobbying expenditures (add lines 36 and 37) | 38 |
| 39 | Other exempt purpose expenditures | 39 |
| 40 | Total exempt purpose expenditures (add lines 38 and 39) | 40 |
| 41 | Lobbying nontaxable amount. Enter the amount from the following table— | 41 |
| 42 | Grassroots nontaxable amount (enter 25% of line 41) | 42 |
| 43 | Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36 | 43 |
| 44 | Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38 | 44 |

Caution: If there is an amount on either line 43 or line 44, you must file Form 4720.

4-Year Averaging Period Under Section 501(h)
(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 45 through 50 on page 11 of the instructions)

<table>
<thead>
<tr>
<th>Calendar year (or fiscal year beginning in)</th>
<th>(a) 2003</th>
<th>(b) 2002</th>
<th>(c) 2001</th>
<th>(d) 2000</th>
<th>(e) Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>45</td>
<td>Lobbying nontaxable amount</td>
<td>45</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>46</td>
<td>Lobbying ceiling amount (150% of line 45(e))</td>
<td>46</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>47</td>
<td>Total lobbying expenditures</td>
<td>47</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>48</td>
<td>Grassroots nontaxable amount</td>
<td>48</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>49</td>
<td>Grassroots ceiling amount (150% of line 48(e))</td>
<td>49</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>50</td>
<td>Grassroots lobbying expenditures</td>
<td>50</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Part VI-B  Lobbying Activity by Nonelecting Public Charities
(For reporting only by organizations that did not complete Part VI-A) (See page 12 of the instructions.)

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:

- a Volunteers.
- b Paid staff or management (Include compensation in expenses reported on lines c through h).
- c Media advertisements.
- d Mailings to members, legislators, or the public.
- e Publications, or published or broadcast statements.
- f Grants to other organizations for lobbying purposes.
- g Direct contact with legislators, their staffs, government officials, or a legislative body.
- h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means.
- i Total lobbying expenditures (Add lines c through h).

If "Yes" to any of the above, also attach a statement giving a detailed description of the lobbying activities.
**Part VII** Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations (See page 12 of the instructions.)

51 Did the reporting organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?

<table>
<thead>
<tr>
<th>a</th>
<th>Transfers from the reporting organization to a noncharitable exempt organization of:</th>
</tr>
</thead>
<tbody>
<tr>
<td>(i)</td>
<td>Cash</td>
</tr>
<tr>
<td>(ii)</td>
<td>Other assets</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>b</th>
<th>Other transactions:</th>
</tr>
</thead>
<tbody>
<tr>
<td>(i)</td>
<td>Sales or exchanges of assets with a noncharitable exempt organization</td>
</tr>
<tr>
<td>(ii)</td>
<td>Purchases of assets from a noncharitable exempt organization</td>
</tr>
<tr>
<td>(iii)</td>
<td>Rental of facilities, equipment, or other assets</td>
</tr>
<tr>
<td>(iv)</td>
<td>Reimbursement arrangements</td>
</tr>
<tr>
<td>(v)</td>
<td>Loans or loan guarantees</td>
</tr>
<tr>
<td>(vi)</td>
<td>Performance of services or membership or fundraising solicitations</td>
</tr>
<tr>
<td>(vii)</td>
<td>Sharing of facilities, equipment, mailing lists, other assets, or paid employees</td>
</tr>
</tbody>
</table>

| c | Sharing of facilities, equipment, mailing lists, other assets, or paid employees |

| d | If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting organization. If the organization received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received: |

<table>
<thead>
<tr>
<th>(a) Line no.</th>
<th>(b) Amount involved</th>
<th>(c) Name of noncharitable exempt organization</th>
<th>(d) Description of transfers, transactions, and sharing arrangements</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
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<td></td>
</tr>
</tbody>
</table>

52a Is the organization directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? □ Yes □ No

b If "Yes," complete the following schedule:

<table>
<thead>
<tr>
<th>(a) Name of organization</th>
<th>(b) Type of organization</th>
<th>(c) Description of relationship</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
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<td></td>
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<td></td>
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<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
1. All figures shown on Form 990 are in Canadian dollars

2. Part I, 7 – Other investment income
The organization has a 50% interest in a company that owns the Institute’s premises. The investment generates a surplus through revenues charged to other tenants in the building. The organization’s auditors recommend that for accounting purposes, the investment be classified as an investment in co-ownership, under the equity method of accounting.

3. Part I, 10a
The cost of goods sold relates to books. The sale of books is not a profitable exercise in that the cost of purchasing the books plus administration generally exceeds revenue. The marketing of books is more of an extension of the Institute’s outreach than a commercial venture.

4. Part III – Statement of Program Service Accomplishment
The Institute’s Constitution gives a more comprehensive explanation of its goals (see attached). The target for the Institute’s work is the public and those with a particular interest in economics in the context of public policy.

In 2003 the following publications were produced:

<table>
<thead>
<tr>
<th>Title</th>
<th>Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fraser Forum</td>
<td>monthly magazine</td>
</tr>
<tr>
<td>Critical Issues Bulletins</td>
<td>3</td>
</tr>
<tr>
<td>Public Policy Sources</td>
<td>11</td>
</tr>
<tr>
<td>Books</td>
<td>4</td>
</tr>
<tr>
<td>Studies in Economic Prosperity</td>
<td>2</td>
</tr>
<tr>
<td>Studies in Defence and Foreign Policy</td>
<td>1</td>
</tr>
<tr>
<td>Studies in Education Policy</td>
<td>9</td>
</tr>
</tbody>
</table>
Schedule 1

5 Part IV, 56 Investments

The following investments were held, at cost, in 2003

<table>
<thead>
<tr>
<th>Investments</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vancouver Foundation Endowment</td>
<td>905,000</td>
</tr>
<tr>
<td>Calgary Foundation Endowment</td>
<td>100,000</td>
</tr>
<tr>
<td>Bonds</td>
<td>672,054</td>
</tr>
<tr>
<td>Equity investments</td>
<td>2,004,197</td>
</tr>
<tr>
<td></td>
<td>3,881,251</td>
</tr>
</tbody>
</table>

6 Part I, 20 - Net Assets

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Assets at December 31, 2002</td>
<td>4,911,666</td>
</tr>
<tr>
<td>Deficit for the year (line 18)</td>
<td>-292,546</td>
</tr>
<tr>
<td>Other changes (line 20)</td>
<td></td>
</tr>
<tr>
<td>Endowment contributions</td>
<td>448,043</td>
</tr>
<tr>
<td>Building fund contributions</td>
<td>3,000</td>
</tr>
<tr>
<td>Adjustments to prior year</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>451,043</td>
</tr>
<tr>
<td>Net Assets at December 31, 2003</td>
<td>5,070,163</td>
</tr>
</tbody>
</table>
7. Schedule A, Part III, 3a, Statements About Activities
The Institute’s Children First program provides scholarship grants to lower income families to enable the families to send their children to private elementary schools of their choice. Eligibility is based on family income level. The recipients are chosen using a random selection program.
CONSTITUTION

1. **NAME:** The name of the corporation is THE FRASER INSTITUTE, hereinafter in this Constitution and By-Laws referred to as the Corporation or the Institute.

2. **OBJECTS:** The objects of the Corporation are:

   (a) To promote and foster the application of economics and science in the development of Canada’s commerce, trade, and industry, and the improvement of the general standard of living and the well-being and prosperity of the Canadian people.

   (b) To establish a centre for the accumulation of information useful to economic, social and scientific research and to foster the exchange of such information with other research and educational institutions.

   (c) To research, analyze, study, and consider economic and social trends and problems relating to Canada and to its provinces, including world forces as they impinge on Canada, and the roles of commerce and industry, labour and government, and the public, and of their inter-relationships.

   (d) To develop and improve research techniques and otherwise aid in the advancement of pure and applied economic, social and scientific research.

   (e) To publish and disseminate such of its findings as may be deemed of general public interest, and to provide information, consulting and teaching services, relating to the objects of the Institute.

   (f) To engage, maintain, and develop a staff of qualified economists, sociologists, scientists, educators, and research experts for the purposes on the Institute.

   (g) To do all things necessary for the attainment of the foregoing objects.
## IRS - Form 990 (2003)
### Line - - Special Events

<table>
<thead>
<tr>
<th>Event Reference</th>
<th>Event</th>
<th>Donations</th>
<th>Tickets</th>
<th>Gross Receipts</th>
<th>Less: Contributions</th>
<th>Gross Revenues</th>
<th>Less: Direct Expenses</th>
<th>Net Income (Loss)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Luncheons</td>
<td>64,924</td>
<td>210,000</td>
<td>163,822</td>
<td>(64,924)</td>
<td>98,898</td>
<td>183,050</td>
<td>(84,152)</td>
</tr>
<tr>
<td>2</td>
<td>Donner Awards</td>
<td>210,000</td>
<td>1,475</td>
<td>(210,000)</td>
<td>(210,000)</td>
<td>1,475</td>
<td>(122,110)</td>
<td>(120,635)</td>
</tr>
<tr>
<td>3</td>
<td>Rounders Luncheon</td>
<td>36,219</td>
<td>9,986</td>
<td>36,219</td>
<td>0</td>
<td>9,986</td>
<td>(48,738)</td>
<td>(12,519)</td>
</tr>
<tr>
<td>4</td>
<td>Annual General Meeting</td>
<td>3,164</td>
<td>4,252</td>
<td>13,150</td>
<td>(3,164)</td>
<td>9,986</td>
<td>(20,747)</td>
<td>(10,761)</td>
</tr>
<tr>
<td>5</td>
<td>Principals Awards</td>
<td>104,867</td>
<td>4,252</td>
<td>109,119</td>
<td>(104,867)</td>
<td>4,252</td>
<td>(63,425)</td>
<td>(59,173)</td>
</tr>
</tbody>
</table>

**Schedule 1a**

### Event Reference

- 1 Luncheons
- 2 Donner Awards
- 3 Founders Luncheon
- 4 Annual General Meeting
- 5 Principals Awards

Various guest speakers
Presentation of awards to outstanding charities
Guest speaker and event (M. Friedman)
Fraser Institute AGM and guest speaker (M. Harris)
School achievement awards
## Part II - Statement of Functional Expenses - 2003

### Schedule 2

<table>
<thead>
<tr>
<th>Category</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
<td>Program</td>
<td>Managemt &amp; General</td>
<td>Fundraising</td>
<td>Check</td>
</tr>
<tr>
<td>Grants and allocations</td>
<td>22</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Specific assistance to individuals</td>
<td>23</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Benefits paid to or for members</td>
<td>24</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Compensation - officers (sched. 5a)</td>
<td>25</td>
<td>656,614</td>
<td>436,095</td>
<td>166,007</td>
<td>54,512</td>
</tr>
<tr>
<td>Other wages</td>
<td>26</td>
<td>2,217,563</td>
<td>1,417,187</td>
<td>490,366</td>
<td>310,010</td>
</tr>
<tr>
<td>Pension plan contributions</td>
<td>27</td>
<td>332,288</td>
<td>212,664</td>
<td>73,103</td>
<td>46,520</td>
</tr>
<tr>
<td>Other employee benefits</td>
<td>28</td>
<td>138,945</td>
<td>88,925</td>
<td>30,568</td>
<td>19,452</td>
</tr>
<tr>
<td>Payroll taxes</td>
<td>29</td>
<td>117,011</td>
<td>74,887</td>
<td>25,742</td>
<td>16,382</td>
</tr>
<tr>
<td>Professional fundraising fees</td>
<td>30</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Accounting fees</td>
<td>31</td>
<td>18,000</td>
<td>18,000</td>
<td>18,000</td>
<td></td>
</tr>
<tr>
<td>Legal fees</td>
<td>32</td>
<td>22,311</td>
<td>22,311</td>
<td>22,311</td>
<td></td>
</tr>
<tr>
<td>Supplies</td>
<td>33</td>
<td>39,359</td>
<td>25,190</td>
<td>8,659</td>
<td>5,510</td>
</tr>
<tr>
<td>Telephone</td>
<td>34</td>
<td>25,982</td>
<td>16,628</td>
<td>5,716</td>
<td>3,637</td>
</tr>
<tr>
<td>Postage and shipping</td>
<td>35</td>
<td>20,365</td>
<td>13,034</td>
<td>4,480</td>
<td>2,851</td>
</tr>
<tr>
<td>Occupancy</td>
<td>36</td>
<td>307,164</td>
<td>196,585</td>
<td>67,576</td>
<td>43,003</td>
</tr>
<tr>
<td>Equipment rental &amp; maintenance</td>
<td>37</td>
<td>7,720</td>
<td>7,720</td>
<td>7,720</td>
<td></td>
</tr>
<tr>
<td>Printing and publications</td>
<td>38</td>
<td>313,076</td>
<td>313,076</td>
<td>313,076</td>
<td></td>
</tr>
<tr>
<td>Travel</td>
<td>39</td>
<td>6,048</td>
<td>6,048</td>
<td>6,048</td>
<td></td>
</tr>
<tr>
<td>Conferences, conventions</td>
<td>40</td>
<td>0</td>
<td></td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Interest</td>
<td>41</td>
<td>0</td>
<td></td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Depreciation</td>
<td>42</td>
<td>77,676</td>
<td>77,676</td>
<td>77,676</td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bank charges</td>
<td>43a</td>
<td>14,087</td>
<td>14,087</td>
<td>14,087</td>
<td></td>
</tr>
<tr>
<td>Periodicals</td>
<td>43b</td>
<td>10,743</td>
<td>10,743</td>
<td>10,743</td>
<td></td>
</tr>
<tr>
<td>Courier</td>
<td>43c</td>
<td>8,191</td>
<td>8,191</td>
<td>8,191</td>
<td></td>
</tr>
<tr>
<td>Annual report</td>
<td>43d</td>
<td>10,823</td>
<td>10,823</td>
<td>10,823</td>
<td></td>
</tr>
<tr>
<td>Planning session</td>
<td>43e</td>
<td>11,147</td>
<td>11,147</td>
<td>11,147</td>
<td></td>
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<tr>
<td>Sundry</td>
<td>43f</td>
<td>8,220</td>
<td>8,220</td>
<td>8,220</td>
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<tr>
<td>Recruiting</td>
<td>43g</td>
<td>8,169</td>
<td>8,169</td>
<td>8,169</td>
<td></td>
</tr>
<tr>
<td>Staff training</td>
<td>43h</td>
<td>0</td>
<td></td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Dues</td>
<td>43i</td>
<td>0</td>
<td></td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Insurance</td>
<td>43j</td>
<td>15,319</td>
<td>15,319</td>
<td>15,319</td>
<td></td>
</tr>
<tr>
<td>Promotion</td>
<td>43k</td>
<td>32,992</td>
<td>32,992</td>
<td>32,992</td>
<td></td>
</tr>
<tr>
<td>Projects</td>
<td>43l</td>
<td>2,122,127</td>
<td>2,122,127</td>
<td>2,122,127</td>
<td></td>
</tr>
<tr>
<td>Software</td>
<td>43m</td>
<td>170</td>
<td>170</td>
<td>170</td>
<td></td>
</tr>
<tr>
<td>AGM/Membership/Trustee</td>
<td>43n</td>
<td>19,946</td>
<td>19,946</td>
<td>19,946</td>
<td></td>
</tr>
<tr>
<td>Kitchen supplies</td>
<td>43o</td>
<td>8,312</td>
<td>8,312</td>
<td>8,312</td>
<td></td>
</tr>
<tr>
<td>Internet / Network / Cable</td>
<td>43p</td>
<td>5,501</td>
<td>3,521</td>
<td>1,210</td>
<td>770</td>
</tr>
<tr>
<td>Storage</td>
<td>43q</td>
<td>18,118</td>
<td>18,118</td>
<td>18,118</td>
<td></td>
</tr>
<tr>
<td>44</td>
<td>6,593,986</td>
<td>4,964,216</td>
<td>1,094,130</td>
<td>535,640</td>
<td>6,593,986</td>
</tr>
<tr>
<td></td>
<td>100%</td>
<td>75%</td>
<td>17%</td>
<td>8%</td>
<td>100%</td>
</tr>
</tbody>
</table>

### Less:

- **Event Expenses**: re line 9b
- **Cost of Goods Sold (books)**: re line 10b
- **Reconciliation to line 13**: 44 adjusted

IRS return Sheet3, 4/15/2004, 11 22 AM, 1 of 1
<table>
<thead>
<tr>
<th>Name</th>
<th>Address</th>
<th>Service</th>
<th>Compensation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Steane Consulting</td>
<td>250 Yonge Street, Ste 2400, Toronto, ON, Canada</td>
<td>Consulting</td>
<td>147,720</td>
</tr>
<tr>
<td>MSG Hedge</td>
<td>1151 Fairfield Place, Oakville, ON, Canada</td>
<td>Consulting</td>
<td>145,562</td>
</tr>
<tr>
<td>926222 Alberta Ltd (P Manning)</td>
<td>109 Rocky Vista Terrace NW, Calgary, AB, Canada</td>
<td>Consulting</td>
<td>102,451</td>
</tr>
<tr>
<td>GFG Enterprises</td>
<td>1649 Launor Avenue, Vancouver, BC, Canada</td>
<td>Consulting</td>
<td>52,608</td>
</tr>
<tr>
<td>Filip Palda</td>
<td>P.O. Box 1564, Kingston, ON, Canada</td>
<td>Consulting</td>
<td>10,000</td>
</tr>
</tbody>
</table>

Total number of others receiving over $50,000USD ($65,000CAD) for professional services: 0
Schedule A - Form 990
Part I  Compensation of the five highest paid employees other than Officers, Directors, and Trustees

<table>
<thead>
<tr>
<th>Name</th>
<th>Salary</th>
<th>Hours</th>
<th>Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>Green, Kenneth</td>
<td>123,533</td>
<td>45</td>
<td>45 801 - 1199 Marinaside Crescent, Vancouver, BC, Canada</td>
</tr>
<tr>
<td>Stein, Sherry</td>
<td>92,993</td>
<td>45</td>
<td>45 1520 Harwood Street, Vancouver, BC, Canada</td>
</tr>
<tr>
<td>Clemens, Jason</td>
<td>91,601</td>
<td>45</td>
<td>45 1504 Femwood Place, Port Moody, BC, Canada</td>
</tr>
<tr>
<td>Walters, Suzanne</td>
<td>83,103</td>
<td>45</td>
<td>45 301 - 1640 West 11th Avenue, Vancouver, BC, Canada</td>
</tr>
<tr>
<td>Cowley, Peter</td>
<td>78,243</td>
<td>45</td>
<td>45 3775 West 12th Avenue, Vancouver, BC, Canada</td>
</tr>
</tbody>
</table>

Total number of other employees earning over $50,000US ($65,000CDN): 6
<table>
<thead>
<tr>
<th>Directors</th>
<th>2003 Salary</th>
<th>2003 Pension</th>
<th>Total</th>
<th>Hours per Week</th>
</tr>
</thead>
<tbody>
<tr>
<td>Michael Walker, Executive Director</td>
<td>495,563</td>
<td>49,556</td>
<td>545,119</td>
<td>60</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Officers</th>
<th>2003 Salary</th>
<th>2003 Pension</th>
<th>Total</th>
<th>Hours per Week</th>
</tr>
</thead>
<tbody>
<tr>
<td>Michael Hopkins, Director of Finance</td>
<td>101,359</td>
<td>10,136</td>
<td>111,495</td>
<td>54</td>
</tr>
<tr>
<td></td>
<td>596,922</td>
<td>59,692</td>
<td>656,614</td>
<td></td>
</tr>
</tbody>
</table>

**Expense Accounts and Other Allowances:**
There are none except for the standard package available to all employees comprising:
- Dental
- Extended health
- Long-term disability
- Provincial medical coverage

The Executive Director alone has his membership dues for the Hollyburn Country Club paid for by the organization (amounts to approximately $2,000 per year)
Part V (Form 990)

List of Trustees / Directors

Note: Trustees / Directors do not receive compensation
**2003 Board of Trustees**

**Chairman**
R.J. ADDINGTON, OBE
Aldergrove, BC

**Vice Chairmen**

H. KHOSROWSHAHI
Inwest Investments Ltd., Vancouver, BC

W. KOROL
Thetis Island, BC

M. W. MITCHELL
Vancouver, BC

**Trustees**

K P AMBACHTSHEER
KPA Advisory Services Ltd., Toronto, ON

G E ARNELL
Brookfield Properties Ltd
Toronto, ON

C B. BARLOW
Barlow Bros. Ltd., Calgary, AB

S I. BATA
Bata Shoe Organization, Toronto, ON

E. BELZBERG
Jayberg Enterprises Ltd., Vancouver, BC

E. E. BERG
Ebco Enterprises, Victoria, BC

J A. BOECK
BCA Publications Ltd., Montreal, PQ

T P. BOYLE
Delta, BC

P BROWN
Canaccord Capital Corp., Vancouver, BC

A A. CHAFUEN
Atlas Economic Research Foundation, Fairfax, VA

J D CHAPLIN
Canadian General-Tower Ltd.,
Cambridge, ON

S K. DARKAZANLI
North Vancouver, BC

J W DOBSON
Formula Growth Ltd., Montreal, PQ

G. C. FLECK
ServiceWorks Distribution Inc., Vancouver, BC

A N. GRUNDER
North Vancouver, BC

J A. HAGG
Tinstone Capital Advisors Inc., Calgary, AB

R. HEUNG
Vanac Developments Corp., Vancouver, BC

P J. HILL
The Hill Companies, Regina, SK

S A. HYNES
West Vancouver, BC

R H. LEE
Prospero Realty International Ltd.,
Vancouver, BC

B. LOUIE
H Y Louie Co. Ltd., Burnaby, BC

D. MACKENZIE
Lincoln-McKay Dev Co. Ltd., Calgary, AB

W. MACKNESS
London, ON

J M MAIN
Orion Consulting, North York, ON

F P. MANNIX
Calgary, AB

J MCGOVERN
Arrow Hedge Partners Inc.
Toronto, ON

G MORGAN
Encana Corporation, Calgary, AB

R. PHILLIPS
IPSCO Inc., Regina, SK

H C PINDER, JR.
Goal Management Corp., Saskatoon, SK

R J PIRIE
Sabre Energy Ltd., Calgary, AB

P H. POCKLINGTON
Indian Wells, CA

F D. RADLER
Hollinger Inc., Vancouver, BC

C S. RILEY
Toronto, ON

M. SCOTT
Scotia Capital Inc., Vancouver, BC

W W. SIEBENS
Candor Investments Ltd., Calgary, AB

M A. WALKER
The Fraser Institute, Vancouver, BC

**Secretary-Treasurer**

M. HOPKINS
The Fraser Institute, Vancouver, BC

**Members of the Executive Advisory Board**

R J. ADDINGTON, OBE

E. BELZBERG

T P. BOYLE

E. CHAPLIN

G. C. FLECK

A N. GRUNDER

R. HEUNG

S A. HYNES

H. KHOSROWSHAHI

W. KOROL

M. W. MITCHELL

M. SCOTT

M A. WALKER
The Fraser Institute

Financial Statements
December 31, 2003
March 5, 2004

Auditors’ Report

To the Members of
The Fraser Institute

We have audited the statement of financial position of The Fraser Institute as at December 31, 2003 and the statements of changes in net assets, operations and cash flows for the year then ended. These financial statements are the responsibility of the Institute’s management. Our responsibility is to express an opinion on these 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 financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Institute as at December 31, 2003 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

PricewaterhouseCoopers LLP
Chartered Accountants

PricewaterhouseCoopers refers to the Canadian firm of PricewaterhouseCoopers LLP and the other member firms of PricewaterhouseCoopers International Limited, each of which is a separate and independent legal entity.
The Fraser Institute
Statement of Financial Position
As at December 31, 2003

<table>
<thead>
<tr>
<th>Assets</th>
<th>2003</th>
<th>2002</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash (note 7)</td>
<td>2,399,958</td>
<td>3,194,558</td>
</tr>
<tr>
<td>Cash held in trust (note 5)</td>
<td>287,551</td>
<td>-</td>
</tr>
<tr>
<td>Accounts receivable (note 6)</td>
<td>440,405</td>
<td>187,982</td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td>16,613</td>
<td>53,684</td>
</tr>
<tr>
<td>Inventory</td>
<td>34,489</td>
<td>23,651</td>
</tr>
<tr>
<td></td>
<td>3,179,016</td>
<td>3,459,875</td>
</tr>
</tbody>
</table>

| Investments (note 7) | 3,681,251 | 3,454,531 |
| Property and equipment (note 8) | 244,798 | 217,485 |
| Investment in co-ownership (note 9) | 1,356,909 | 1,392,052 |
| | 8,461,974 | 8,523,943 |

| Liabilities and Net Assets | | |
| Current liabilities | | |
| Accounts payable and accrued liabilities | 1,028,539 | 780,446 |
| Accrued employee pension liability | 362,505 | 290,505 |
| Deferred program revenue (note 10) | 1,982,767 | 2,523,326 |
| | 3,373,811 | 3,594,277 |

| Prize for economy in government (note 11) | 18,000 | 18,000 |
| | 3,391,811 | 3,612,277 |

| Net assets | | |
| Net assets invested in property and equipment and co-ownership | 1,601,707 | 1,609,538 |
| Net assets restricted for endowment purposes (note 12) | 2,190,133 | 1,742,090 |
| Net assets held for building purposes | 1,378,059 | 1,375,059 |
| Unrestricted net assets | (99,736) | 184,979 |
| | 5,070,163 | 4,911,666 |
| | 8,461,974 | 8,523,943 |

| Commitment (note 13) | | |
| Approved by the Board of Trustees |

Trustee

Trustee
# The Fraser Institute
## Statement of Changes in Net Assets
### For the year ended December 31, 2003

<table>
<thead>
<tr>
<th></th>
<th>2003</th>
<th>2002</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property and equipment</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>and co-ownership</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>(note 12)</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Balance - Beginning of year</td>
<td>1,609,538</td>
<td>1,742,090</td>
</tr>
<tr>
<td>(Decrease) increase in</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>unrestricted net assets from</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>operations</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Investment income allocated to</td>
<td>-</td>
<td>40,000</td>
</tr>
<tr>
<td>Endowment Funds</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Depreciation</td>
<td>(77,676)</td>
<td>-</td>
</tr>
<tr>
<td>Share in earnings from</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>investment in co-ownership</td>
<td>129,857</td>
<td>-</td>
</tr>
<tr>
<td>Cash distribution from</td>
<td>(165,000)</td>
<td>-</td>
</tr>
<tr>
<td>investment in co-ownership</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Endowment contributions and</td>
<td>-</td>
<td>408,043</td>
</tr>
<tr>
<td>income</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Building Fund contributions</td>
<td>-</td>
<td>3,000</td>
</tr>
<tr>
<td>Investment in property and</td>
<td>104,988</td>
<td>-</td>
</tr>
<tr>
<td>equipment</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Balance - End of year</td>
<td>1,601,707</td>
<td>2,190,133</td>
</tr>
</tbody>
</table>

Total

4,911,666

4,826,081

39,622

32,000

-
The Fraser Institute
Statement of Operations
For the year ended December 31, 2003

|                                | 2003   | 2002   |
|                                | $      | $      |
| Revenues                        |        |        |
| Donations and annual dues       | 6,177,282 | 4,765,215 |
| Seminar and luncheon admission fees | 150,831  | 243,480  |
| Investment income allocated to operations | 108,199  | 137,832  |
| Sale of publications            | 36,566  | 44,888  |
| Other project revenue           | 17,303  | 18,391  |
| Total Revenues                  | 6,490,181 | 5,209,806  |
| Expenses                        |        |        |
| Staff salaries and benefits     | 3,462,421 | 2,999,747  |
| Project costs                   | 2,442,379 | 1,593,555  |
| Office and other administration | 276,857  | 258,240  |
| Rent and property tax (note 9)  | 280,092  | 293,199  |
| Depreciation                    | 77,676  | 87,650  |
| Professional fees               | 54,561  | 57,268  |
| Total Expenses                  | 6,593,986 | 5,289,659  |
| Decrease in unrestricted net assets before the following | (103,805) | (79,853) |
| Foreign exchange (loss) gain     | (318,598) | 2,564  |
| Share in earnings from investment in co-ownership (note 9) | 129,857 | 116,911  |
| (Decrease) increase in unrestricted net assets from operations | (292,546) | 39,622  |
The Fraser Institute  
Statement of Cash Flows  
For the year ended December 31, 2003

<table>
<thead>
<tr>
<th></th>
<th>2003</th>
<th>2002</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td><strong>Cash flows from operating activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Decrease) increase in unrestricted net assets from operations</td>
<td>(292,546)</td>
<td>39,622</td>
</tr>
<tr>
<td>Items not affecting cash</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation</td>
<td>77,676</td>
<td>87,650</td>
</tr>
<tr>
<td>Share in earnings from investment in co-ownership</td>
<td>(129,857)</td>
<td>(116,911)</td>
</tr>
<tr>
<td></td>
<td>(344,727)</td>
<td>10,361</td>
</tr>
<tr>
<td><strong>Changes in non-cash working capital</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash held in trust</td>
<td>(287,551)</td>
<td>-</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>(252,423)</td>
<td>141,412</td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td>37,070</td>
<td>45,481</td>
</tr>
<tr>
<td>Inventory</td>
<td>(10,838)</td>
<td>8,228</td>
</tr>
<tr>
<td>Accounts payable and accrued liabilities</td>
<td>248,093</td>
<td>56,919</td>
</tr>
<tr>
<td>Accrued employee pension liability</td>
<td>72,000</td>
<td>60,000</td>
</tr>
<tr>
<td></td>
<td>(193,649)</td>
<td>312,040</td>
</tr>
<tr>
<td></td>
<td>(538,376)</td>
<td>322,401</td>
</tr>
<tr>
<td><strong>Cash flows from financing activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deferred program revenue</td>
<td>(540,559)</td>
<td>594,522</td>
</tr>
<tr>
<td>Endowment Funds</td>
<td>448,043</td>
<td>39,963</td>
</tr>
<tr>
<td>Building Fund</td>
<td>3,000</td>
<td>6,000</td>
</tr>
<tr>
<td></td>
<td>(89,516)</td>
<td>640,485</td>
</tr>
<tr>
<td><strong>Cash flows from investing activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchase of investments</td>
<td>(226,720)</td>
<td>(560,286)</td>
</tr>
<tr>
<td>Purchase of property and equipment</td>
<td>(104,988)</td>
<td>(30,844)</td>
</tr>
<tr>
<td>Investment in co-ownership</td>
<td>165,000</td>
<td>90,000</td>
</tr>
<tr>
<td>Obligations under capital lease</td>
<td>-</td>
<td>(5,451)</td>
</tr>
<tr>
<td></td>
<td>(166,708)</td>
<td>(506,581)</td>
</tr>
<tr>
<td><strong>(Decrease) increase in cash</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(794,600)</td>
<td>456,305</td>
</tr>
<tr>
<td><strong>Cash - Beginning of year</strong></td>
<td>3,194,558</td>
<td>2,738,253</td>
</tr>
<tr>
<td><strong>Cash - End of year</strong></td>
<td>2,399,958</td>
<td>3,194,558</td>
</tr>
<tr>
<td><strong>Supplementary cash flow information</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest received</td>
<td>163,525</td>
<td>175,104</td>
</tr>
</tbody>
</table>
1 Nature of organization

The Fraser Institute (the Institute) is incorporated without share capital under Part II of the Canada Corporations Act.

The Institute is a not-for-profit organization that was founded in 1974 to redirect public attention to the role markets can play in providing for economic and social well-being of Canadians. Its ambition is to improve the conduct of public policy and to increase the reliance on markets as a way to solve the economic problems of society.

2 Accounting policies

Fund accounting

The Institute maintains its accounts in accordance with the restrictions on the use of resources as designated by donors or the Board of Trustees.

- Assets invested in property and equipment and co-ownership reflect the Institute’s property and equipment at cost less depreciation and the investment in the co-ownership. Cash distributions from the co-ownership are transferred to the unrestricted fund.

- The endowment fund accumulates assets held for the purposes of providing long term financial resources to meet the future needs of the Institute. Funds are accumulated from external donations, endowment income and internal transfers by the Board of Trustees to the endowment fund.

- The building fund accumulates assets held for potential financing activities connected with the Institute’s premises. Funds are accumulated from both external donations and internal transfers by the Board of Trustees to the building fund.

- Unrestricted net assets comprise donations received for which no explicit restrictions, either internally or externally imposed, exist on their use and the increase in unrestricted net assets from the Institute’s operations each year.

Revenue recognition

The Institute uses the deferral method for recognition of revenues from annual dues and donations. Under the deferral method, restricted dues and donations are recognized as revenue in the year in which the related expenses are incurred. Unrestricted dues and donations are recognized as revenue when received or receivable if the amount can be reasonably estimated and collection is reasonably assured.

Contributions to the Endowment Funds and Building Fund are credited directly to the relevant fund.

Seminar and luncheon fees are recognized as revenue when the seminars are held.
Inventory

Inventory, which comprises mainly publications, is valued at the lower of cost and net realizable value. Direct publishing and printing costs are included in inventory.

Investments

Investments are carried at cost. Gains and losses on investments are recognized when realized.

The estimated market values of the Institute’s investments are based on publicly quoted market values.

Investments are written down to market value if management considers that there is an other than temporary impairment in value.

Property and equipment

Property and equipment are stated at cost, net of accumulated depreciation.

Depreciation is provided as follows:

- Furniture and fixtures: 10 years straight-line
- Equipment: 3 years straight-line
- Leasehold improvements: 10 years straight-line

Leased assets

Leases entered into that transfer substantially all benefits and risks associated with the ownership of the asset to the Institute are recorded as the acquisition of an asset and the occurrence of an obligation. The asset is depreciated in a manner consistent with assets owned by the Institute, and the obligation, including interest thereon, is liquidated over the term of the lease.

Investment in co-ownership

The Institute has a 50% undivided interest in the land and building situated at 1700 Burrard Street, Vancouver, B.C. The investment is accounted for using the equity method. As co-owner of the land and building, the Institute will receive 50% of all net revenues generated by this property.

Depreciation on the Institute’s portion of the building is provided as follows:

- Building: 30 years straight-line
- Tenant improvements: 10 years straight-line
- Finance and leasing costs: term of lease
Foreign exchange

Monetary assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the rate of exchange in effect at the balance sheet date. Certain revenues and expenses are translated into Canadian dollars at the rate of exchange prevailing at the date of the transaction.

Use of accounting estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires the Institute’s management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities as at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period presented. Actual results could differ from those estimates.

3 Income tax status

The Institute is registered in Canada as a tax-exempt charitable organization under paragraphs 149(1)(f) and 149.1(1)(b) of the Income Tax Act and in the United States as a tax-exempt organization under Sections 501(c)(3) and 4948(a) of the Internal Revenue Code. Accordingly, donations to the Institute are deductible for income tax purposes by donors from Canada and the United States and the Institute is not subject to income tax.

4 Financial instruments

The carrying values of financial assets and financial liabilities are considered to approximate fair values except as otherwise disclosed in these financial statements.

Foreign exchange risk is the risk that variations in exchange rates between the Canadian dollar and foreign currency will affect the operating and financial results. The Institute earns a significant portion of its donation revenues in U.S. dollars and does not use derivative instruments to reduce its exposure to this foreign exchange risk.

5 Cash held in trust

Cash held in trust represents cash held specifically for use by one of the Institute’s projects, the Children’s First: School Choice Trust.
6 Accounts receivable

<table>
<thead>
<tr>
<th></th>
<th>2003</th>
<th>2002</th>
</tr>
</thead>
<tbody>
<tr>
<td>Donation commitment</td>
<td>388,500</td>
<td>129,365</td>
</tr>
<tr>
<td>Trade</td>
<td>4,630</td>
<td>15,382</td>
</tr>
<tr>
<td>Other</td>
<td>47,275</td>
<td>43,235</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>440,405</td>
<td>187,982</td>
</tr>
</tbody>
</table>

7 Investments

<table>
<thead>
<tr>
<th></th>
<th>2003</th>
<th>2002</th>
<th>2003</th>
<th>2002</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Market value</td>
<td>Carrying value</td>
<td>Market value</td>
<td>Carrying value</td>
</tr>
<tr>
<td></td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Vancouver Foundation (note 12)</td>
<td>1,316,869</td>
<td>905,000</td>
<td>1,390,620</td>
<td>1,005,000</td>
</tr>
<tr>
<td>Calgary Foundation (note 12)</td>
<td>110,324</td>
<td>100,000</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Bonds</td>
<td>707,354</td>
<td>672,054</td>
<td>710,570</td>
<td>672,093</td>
</tr>
<tr>
<td>Equity investments</td>
<td>1,548,931</td>
<td>2,004,197</td>
<td>1,273,361</td>
<td>1,777,438</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>3,683,478</td>
<td>3,681,251</td>
<td>3,374,551</td>
<td>3,454,531</td>
</tr>
</tbody>
</table>

Bonds

<table>
<thead>
<tr>
<th>Maturity</th>
<th>Number of investments</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Market value</th>
<th>Carrying value</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>%</td>
<td>%</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Within 1 year</td>
<td>2</td>
<td>5.00</td>
<td>5.50</td>
<td>77,041</td>
<td>74,830</td>
</tr>
<tr>
<td>Greater than 1 year less than 5 years</td>
<td>5</td>
<td>5.20</td>
<td>7.50</td>
<td>320,835</td>
<td>300,207</td>
</tr>
<tr>
<td>Greater than 5 years</td>
<td>4</td>
<td>5.25</td>
<td>5.85</td>
<td>309,478</td>
<td>297,017</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td></td>
<td>707,354</td>
<td>672,054</td>
</tr>
</tbody>
</table>

As at December 31, 2003, the Institute has decided to set aside $867,632 (2002 - $78,727) of cash to be placed in long-term investments.

Management has not reduced the carrying value of its equity investments to market value as it believes the impairment is only temporary.
The Fraser Institute  
Notes to Financial Statements  
December 31, 2003

8  Property and equipment

<table>
<thead>
<tr>
<th></th>
<th>2003</th>
<th>2002</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>

Owned assets
At cost
  Leasehold improvements  | 82,460 | 82,460  |
  Furniture, fixtures and equipment  | 1,114,872 | 1,009,883 |
  | 1,197,332 | 1,092,343 |
Less: Accumulated depreciation  | 969,007 | 894,328 |
  | 228,325  | 198,015  |

Assets under capital lease
  Telephone system  | 29,956 | 29,956  |
  Less: Accumulated depreciation  | 13,483 | 10,486  |
  | 16,473  | 19,470  |
  | 244,798 | 217,485  |

The Institute has equipment that was acquired under a capital lease. The remaining obligation under the capital lease was fully extinguished in 2002.

9  Investment in co-ownership

<table>
<thead>
<tr>
<th></th>
<th>2003</th>
<th>2002</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>

50% interest in co-ownership - Beginning of year  | 1,392,052 | 1,365,141 |

Share in earnings for the current year
  Income  | 207,907  | 194,469  |
  Depreciation  | (78,050) | (77,558)  |
  129,857  | 116,911  |

Distribution received  | (165,000)  | (90,000) |

50% interest in co-ownership - End of year  | 1,356,909 | 1,392,052 |

(5)
The Fraser Institute
Notes to Financial Statements
December 31, 2003

2003  2002

\[ \begin{array}{lrr}
\text{\$} & \text{\$} \\
3,061,542 & 3,139,592 \\
49,987 & 69,009 \\
(1,703,168) & (1,768,776) \\
(51,452) & (47,773) \\
\hline
1,356,909 & 1,392,052 \\
\end{array} \]

Represented by:
- 50% interest in land and building – net of accumulated depreciation (2003 - $397,302; 2002 - $319,252)
- 50% interest in other assets
- 50% interest in mortgage payable
- 50% interest in other liabilities

The Institute is a tenant in the building. During the year, $241,325 (2002 - $274,569) of rent and property tax was paid. These transactions are recorded at fair market value.

The outstanding gross mortgage payable at year-end was $3,714,687 (2002 - $3,537,552). Pursuant to an indemnification agreement with the other co-owners, the Institute’s portion of the mortgage is $1,703,168 (2002 - $1,768,776).

10 Deferred program revenue

Deferred program revenue represents monies donated from third parties in the current period for programs and seminars related to a subsequent period. Movements in deferred program revenue are as follows:

\[ \begin{array}{lrr}
\text{\$} & \text{\$} \\
2,523,326 & 1,928,804 \\
(2,491,777) & (1,334,572) \\
1,951,218 & 1,929,094 \\
\hline
1,356,909 & 1,392,052 \\
\end{array} \]

11 Prize for economy in government

Until 1998, the Institute offered a prize annually for innovative ideas submitted relative to certain criteria. The prize was funded by a donor. A portion of the prizes awarded in prior years is payable at a future date subject to further conditions being met. In the event such further criteria are not achieved, the prize is repayable to the donor.
12 Endowment Funds

The Institute has Endowment Funds (the Funds), a portion of the earnings from which are allocated to operations (2003 - $24,622; 2002 - $62,673). A portion of the Funds is invested with the Vancouver Foundation and the Calgary Foundation.

General

Under the terms of the agreement with the Vancouver Foundation, the Institute is entitled, after a period of 10 years from the date of deposit, to withdraw its share of the market value of the consolidated trust fund assets. The Institute is also entitled to leave the entire fund assets under the management of the Vancouver Foundation permanently. Withdrawals are restricted to 25% of the Funds' eligible capital in any one year.

<table>
<thead>
<tr>
<th>2003</th>
<th>2002</th>
</tr>
</thead>
<tbody>
<tr>
<td>S</td>
<td>S</td>
</tr>
<tr>
<td>Funds held by the Vancouver Foundation</td>
<td></td>
</tr>
<tr>
<td>Contributed by the Vancouver Foundation</td>
<td>375,000</td>
</tr>
<tr>
<td>Contributed by the Institute</td>
<td>530,000</td>
</tr>
<tr>
<td>Funds held by the Calgary Foundation contributed by the Institute</td>
<td>905,000</td>
</tr>
<tr>
<td>Other endowments contributed by external donors</td>
<td>100,000</td>
</tr>
<tr>
<td>Investment income allocated to Endowment Funds</td>
<td>981,133</td>
</tr>
<tr>
<td>Net assets internally restricted for endowment purposes</td>
<td>204,000</td>
</tr>
<tr>
<td>Net assets externally restricted for endowment purposes</td>
<td>2,190,133</td>
</tr>
</tbody>
</table>

13 Commitment

The Institute is committed to lease its present Vancouver premises until October 31, 2008. The total rent for the 58-month period is approximately $749,000. As at December 31, 2003, lease commitments for the next five years are as follows:

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
</tr>
<tr>
<td>2004</td>
<td>155,000</td>
</tr>
<tr>
<td>2005</td>
<td>155,000</td>
</tr>
<tr>
<td>2006</td>
<td>155,000</td>
</tr>
<tr>
<td>2007</td>
<td>155,000</td>
</tr>
<tr>
<td>2008</td>
<td>129,000</td>
</tr>
<tr>
<td></td>
<td>749,000</td>
</tr>
</tbody>
</table>
14 Comparative figures

Certain comparative figures have been reclassified to conform with the presentation adopted in the current year.
Financial Position, 2003

In 2003, the net assets of The Fraser Institute increased by $158,497 to $5,070,163.

Gross revenues amounted to $6,620,038, representing an increase of 24% over 2002. Gross expenditures amounted to $6,593,986, representing an increase of 24% over 2002. The net operating surplus and foreign exchange loss amounted to a deficit of $292,546 for the year. The Institute's financial position is summarized as follows:

**Statement of Operations for the Year Ending 2003**

<table>
<thead>
<tr>
<th>Income</th>
<th>$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Donations, Sales of Publications, Interest</td>
<td>6,620,038</td>
</tr>
<tr>
<td>and Other Income</td>
<td></td>
</tr>
</tbody>
</table>

**Departmental Expenditures including Salaries, Research, and Publications Costs**

<table>
<thead>
<tr>
<th>Category</th>
<th>$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Risk and Environment Policy</td>
<td>382,419</td>
</tr>
<tr>
<td>Fiscal Policy, Non-Profit, and Social Studies</td>
<td>780,795</td>
</tr>
<tr>
<td>Globalization, Trade, and Economic Freedom</td>
<td>370,776</td>
</tr>
<tr>
<td>Outreach</td>
<td>706,112</td>
</tr>
<tr>
<td>High School and University Student Seminars</td>
<td>600,980</td>
</tr>
<tr>
<td>Health Policy</td>
<td>248,798</td>
</tr>
<tr>
<td>Pharmaceutical Policy</td>
<td>212,242</td>
</tr>
<tr>
<td>Canadian Statistical Assessment Service (CANSTATS)</td>
<td>226,613</td>
</tr>
<tr>
<td>Senior Fellows and Common Sense Vision for Canada Project</td>
<td>1,132,727</td>
</tr>
<tr>
<td>School Report Cards</td>
<td>560,794</td>
</tr>
<tr>
<td>Education Policy</td>
<td>732,580</td>
</tr>
<tr>
<td>Ontario Policy</td>
<td>303,353</td>
</tr>
<tr>
<td>Governance, Defence, and Foreign Policy</td>
<td>335,797</td>
</tr>
<tr>
<td>Total Expenditures</td>
<td>6,593,986</td>
</tr>
</tbody>
</table>

Net Operating Surplus 26,052

**Change in Unrestricted Net Assets**

|                                | $        |
|                                |          |
| Net Operating Surplus          | 26,052   |
| Foreign Exchange Loss          | (318,598)|
| Net Decrease in Unrestricted Net Assets | (292,546)|

**Statement of Financial Position as at December 31, 2003**

<table>
<thead>
<tr>
<th>Category</th>
<th>$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Assets</td>
<td>3,179,016</td>
</tr>
<tr>
<td>Investments</td>
<td>3,681,251</td>
</tr>
<tr>
<td>Capital Assets</td>
<td>1,601,707</td>
</tr>
<tr>
<td>Total</td>
<td>8,461,974</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Category</th>
<th>$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Liabilities</td>
<td>3,391,811</td>
</tr>
<tr>
<td>Net Assets</td>
<td>5,070,163</td>
</tr>
<tr>
<td>Total</td>
<td>8,461,974</td>
</tr>
</tbody>
</table>

Complete audited financial statements for the year ended December 31, 2003, are available on request.
The 2003 Fundraising Program

Total income for The Fraser Institute including donations, sales of publications, interest, and other income for the year 2003 amounted to $6,620,038.

Membership

Individuals and organizations are invited to support the Institute’s work through tax-receiptable contributions in one of six membership categories.

Special projects

During the year, the Institute approached prospective donors to support over 50 specific projects including student seminars, teachers’ workshops, the elementary and secondary school report cards, environmental studies, aboriginal studies, globalization studies, global warming and the Kyoto Protocol, fiscal studies, economic freedom, managing risk and regulation, pharmaceutical and health care studies, CANSTATS, and democratic reform.

Sponsorships

Thanks to generous sponsors, the Institute was able to present prominent speakers at round table luncheons and conferences across the country in 2003. Sponsors and advertisers are invited to support both special Institute events and Fraser Forum.

Publications

All Institute publications are available for purchase; the revenues from these sales go towards further research. Institute members enjoy a 40 percent discount on all books and monographs. Special large-volume discounts are available for stores, libraries, and universities.

Direct mail campaigns

In 2003, the Institute’s Direct Mail Campaigns brought in $150,000 and 631 new members from Canada and the United States.

Fraser Frontline

In 2003, the Institute published five editions of Fraser Frontline, a periodic members’ newsletter about Fraser Institute people, projects, media coverage, and presentations. Frontline is designed to demonstrate the impact of members’ support in helping to improve public policy in Canada and around the world.

Bequests

Although the Institute has no formal bequests program, some long-time supporters have notified the Institute that they have made provision for the Institute in their wills. Institute supporters are encouraged to remember the Institute in their estate planning through remainder trusts, life insurance, or bequests.

Barbara and Bob Mitchell Fund

The Institute is honoured to have been chosen by the family of the late Barbara and Bob Mitchell as the recipient of a five-year endowment totaling $2,000,000 including grants from The W. Garfield Weston Foundation, Barwest Enterprises Limited, and family members. The family made this pledge to reflect the interests and beliefs of the late Dr. and Mrs. Mitchell and to recognize The Fraser Institute’s lengthy commitment to the cause of economic freedom in Canada.

For information on how you can support the Institute’s research, please call Sherry Stein, Director of Development at (604) 714-4590, or e-mail her at sherry@fraserinstitute.ca; or call Barry McNamar, Assistant Director of Development, at (403) 216-7175, or 1-866-716-7175, or e-mail him at barrym@fraserinstitute.ca.