

Financial Statements of

**NORTHERN COLLEGE OF  
APPLIED ARTS AND  
TECHNOLOGY**

And Independent Auditor's Report thereon

Year ended March 31, 2024

## **Management's Responsibility for Financial Reporting**

The financial statements of the Northern College of Applied Arts and Technology (the "College") are the responsibility of management and have been approved by the Board of Governors (the "Board").

The financial statements have been prepared by management in accordance with Canadian public sector accounting standards for government not-for-profit organizations, including the 4200 series of standards, as issued by the Public Sector Accounting Board. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. Financial statements are not precise since they include certain amounts based on estimates and judgments. Management has determined such amounts on a reasonable basis in order to ensure that the financial statements are presented fairly, in all material respects.

The College maintains systems of internal accounting and administrative controls of high quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and that the College's assets are appropriately accounted for and adequately safeguarded.

The Board is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Board carries out this responsibility principally through its Audit Committee. The Audit Committee is appointed by the Board and meets regularly with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy itself that each party is properly discharging its responsibilities, and to review the financial statements and the external auditor's report. The Audit Committee reports its findings to the Board for consideration when approving the financial statements. The Audit Committee also considers, for review and approval by the Board, the engagement or reappointment of the external auditors.

The financial statements have been audited by KPMG LLP, the external auditors, in accordance with Canadian generally accepted auditing standards, on behalf of the Board. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the College's financial statements.



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Mitch Dumas  
President & CEO

June 11, 2024

## INDEPENDENT AUDITOR'S REPORT

To the Governors of The Northern College of Applied Arts and Technology

### ***Opinion***

We have audited the financial statements of The Northern College of Applied Arts and Technology (the Entity), which comprise:

- the statement of financial position as at March 31, 2024
- the statement of operations and changes in net assets (deficit) for the year then ended
- the statement of remeasurement gains and losses for the year then ended
- the statement of cash flows for the year then ended
- and the notes and schedules to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements")

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at March 31, 2024, and its results of operations, its remeasurement gains and losses and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### ***Basis for Opinion***

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibility under those standards are further described in the "***Auditor's Responsibilities for the Audit of the Financial Statements***" section of our auditor's report.

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

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

### ***Responsibility of Management and Those Charged with Governance for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

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

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

We also:

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to the events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity's to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Chartered Professional Accountants, Licensed Public Accountants

Sudbury, Canada

June 11, 2024

# NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY


## Statement of Financial Position

March 31, 2024, with comparative information for 2023

	2024	2023
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 138,817,096	\$ 164,683,228
Investments - short-term	25,398,361	
Investments - portfolio (note 3)	8,609,412	15,562,410
Accounts receivable	5,698,174	6,763,549
Grants receivable	1,648,583	2,431,221
Inventories and prepaid expenses	57,056	288,198
	<u>180,228,682</u>	<u>189,728,606</u>
Long-term investments	-	24,000,000
Capital assets (note 4)	64,230,707	59,738,399
	<u>\$ 244,459,389</u>	<u>\$ 273,467,005</u>
<b>Liabilities and Net Assets (Deficit)</b>		
Current liabilities:		
Accounts payable and accrued liabilities (note 5)	\$ 29,326,308	\$ 38,893,787
Vacation and leave payable (note 6)	2,344,177	2,230,191
Deferred contributions (note 8)	16,111,028	70,269,963
	<u>47,781,513</u>	<u>111,393,941</u>
Employee future benefit (note 6)	1,303,000	1,301,000
Asset retirement obligations (note 15)	420,228	400,107
Deferred capital contributions (note 9)	38,583,677	37,821,383
	<u>88,088,418</u>	<u>150,916,431</u>
Net assets (deficit):		
Unrestricted:		
Operating	7,611,911	6,488,181
Employment-related	(3,647,177)	(3,531,191)
Capital (note 10)	25,647,030	21,917,016
Restricted and endowment (schedule)	125,984,231	97,457,236
	<u>155,595,995</u>	<u>122,331,242</u>
Accumulated remeasurement gains	774,976	219,332
	<u>156,370,971</u>	<u>122,550,574</u>
Commitments (note 13)		
Contingency (note 16)		
Guarantees (note 17)		
	<u>\$ 244,459,389</u>	<u>\$ 273,467,005</u>

See accompanying notes to financial statements.

On behalf of the Board:

  
Jeff Molyneaux  
Chair, Board of Governors

  
Mitch Dumas  
President, Chief Executive Officer

# NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Statement of Operations and Changes in Net Assets (Deficit)

Year ended March 31, 2024, with comparative information for 2023

	Unrestricted		Equity in	Restricted	2024	2023
	Operating	Employment-	capital	and	Total	Total
	(Schedules)	related	assets	endowment		
				(Schedule)		
Revenue:						
Grants	\$ 25,289,291	\$ -	\$ -	\$ -	\$ 25,289,291	\$ 25,577,987
Tuition fees	33,529,356	-	-	-	33,529,356	21,930,437
Ancillary	2,802,654	-	-	-	2,802,654	2,768,285
International programs and other	98,169,739	-	-	-	98,169,739	84,041,657
Amortization of deferred capital contributions (note 9)	-	-	2,610,330	-	2,610,330	2,378,039
Restricted	-	-	-	7,739,422	7,739,422	3,407,737
Investment income	7,385	-	-	2,897,214	2,904,599	2,757,561
	159,798,425	-	2,610,330	10,636,636	173,045,391	142,861,703
Expenses:						
Academic	101,653,358	-	-	-	101,653,358	81,213,639
Administration	8,290,238	-	-	-	8,290,238	6,389,857
Student services	12,813,519	-	-	-	12,813,519	10,356,763
Plant and property	3,725,810	-	-	-	3,725,810	2,810,314
Community services	538,461	-	-	-	538,461	574,071
Employment training programs	3,116,770	-	-	-	3,116,770	3,245,448
Ancillary	2,891,861	-	-	-	2,891,861	2,753,089
Amortization of capital assets	-	-	4,466,901	-	4,466,901	3,923,835
Restricted	-	-	-	2,262,259	2,262,259	1,565,484
Employee future benefits	-	115,986	-	-	115,986	103,733
	133,030,017	115,986	4,466,901	2,262,259	139,875,163	112,936,233
Excess (deficiency) of revenue over expenses	26,768,408	(115,986)	(1,856,571)	8,374,377	33,170,228	29,925,470
Net assets (deficit), beginning of year	6,488,181	(3,531,191)	21,917,016	97,457,236	122,331,242	92,298,370
Endowment contributions	-	-	-	94,525	94,525	107,402
Transfer of capital assets (note 10)	(644,678)	-	5,586,585	(4,941,907)	-	-
Transfer to restricted funds	(25,000,000)	-	-	25,000,000	-	-
Net assets (deficit), end of year	\$ 7,611,911	\$ (3,647,177)	\$ 25,647,030	\$ 125,984,231	\$ 155,595,995	\$ 122,331,242

See accompanying notes to financial statements.

# NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

## Statement of Remeasurement Gains and Losses

Year ended March 31, 2024, with comparative information for 2023

	2024	2023
Accumulated remeasurement gains at beginning of year	\$ 219,332	\$ 554,082
Realized losses attributable to:		
Equity investments	(189,025)	(73,732)
Unrealized gains (losses) attributable to:		
Equity investments	744,669	(261,018)
Net remeasurement gain (loss) for the year	555,644	(334,750)
Accumulated remeasurement gains at end of year	\$ 774,976	\$ 219,332

See accompanying notes to financial statements.



# NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

## Statement of Cash Flows

Year ended March 31, 2024, with comparative information for 2023

	2024	2023
Cash provided by (used in):		
Operating activities:		
Excess of revenue over expenses	\$ 33,170,228	\$ 29,925,470
Adjustments for:		
Amortization of deferred capital contributions	(2,610,330)	(2,378,039)
Amortization of capital assets	4,466,901	3,923,835
Increase in employee future benefits	2,000	15,000
	35,028,799	31,486,266
Changes in non-cash working capital (note 14)	(61,513,152)	10,132,249
	(26,484,353)	41,618,515
Financing activities:		
Endowment contributions	94,525	107,402
Capital activities:		
Purchase of capital assets	(8,959,209)	(8,746,798)
Deferred capital contributions	3,372,623	3,541,593
	(5,586,586)	(5,205,205)
Investing activities:		
Proceeds on disposition of investments	33,706,872	10,434,957
Purchase of investments	(27,596,590)	(2,532,479)
	6,110,282	7,902,478
Net increase (decrease) in cash	(25,866,132)	44,423,190
Cash and cash equivalents, beginning of year	164,683,228	120,260,038
Cash and cash equivalents, end of year	\$ 138,817,096	\$ 164,683,228

See accompanying notes to financial statements.

# NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements

Year ended March 31, 2024

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Northern College of Applied Arts and Technology (the "College") is an Ontario College established as a Community College under The Department of Education Act of the Province of Ontario. The College is a registered charity and is exempt from income taxes under the *Income Tax Act*.

## 1. Significant accounting policies:

### (a) Basis of presentation:

These financial statements reflect the assets, liabilities, revenues and expenses of the unrestricted, capital and restricted and endowed funds of the College.

The financial statements have been prepared by management in accordance with Canadian public sector accounting standards including the 4200 standards for government not-for-profit organizations.

### (b) Revenue recognition:

The College accounts for contributions under the deferral method of accounting as follows:

Operating grants are recorded as revenue in the period to which they relate. Grant amounts relating to future periods are deferred and recognized in the subsequent period when the related activity occurs. Grants approved but not received are accrued.

Unrestricted contributions are recognized as revenue when received or receivable if the amounts can be reasonably estimated and collection is reasonably assured.

Externally restricted contributions, other than endowment contributions, are recognized as revenue in the period in which the related expenses are recognized. Contributions restricted for the purchase of capital assets are deferred and amortized into revenue on a straight-line basis at rates corresponding to those of the related capital assets.

Contributions received for endowment are reported as an increase in the endowment fund balance.

Tuition fees, contract training and international program revenues are recognized as the performance obligations are provided on the basis of teaching days incurred during the fiscal year.

Sales and services revenue which includes ancillary revenues is recognized as the performance obligations are provided and the goods or services are provided.

### (c) Cash and cash equivalents:

Cash and cash equivalents includes cash on hand, cash held with chartered banks and guaranteed investment certificates with a maturity date of 90 days or less from the date of purchase.

# NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements (continued)

Year ended March 31, 2024

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## 1. Significant accounting policies (continued):

### (d) Investments:

The investments are recorded at market value.

### (e) Capital assets:

Capital asset purchases are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution when the fair value is reasonably determinable. Otherwise, contributed capital assets are recorded at a nominal value. Repairs and maintenance costs are charged to expenditures. Betterments, which extend the estimated life of a capital asset, are capitalized. When a capital asset no longer contributes to the College's ability to provide services, it is written down to its residual value. Amortization of capital assets is recorded on the straight-line basis over the following periods:

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Buildings	40 years
Site improvements and betterments	20 years
Leasehold improvements	over the term of the lease
Furniture and equipment	5 years

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Construction in progress is not amortized until the assets are put in use.

### (f) Works of art:

Purchased works of art and collectibles are recorded at cost. Contributions are recorded at fair value at the date of contribution. No amortization is taken on the artwork and collectibles due to the nature of these assets, made up of various artwork and treasures which are being preserved by the Gallery.

### (g) Employment-related obligations:

Vacation entitlements are accrued for as entitlements are earned (note 5).

The College is a member of the Colleges of Applied Arts and Technology ("CAAT") Pension Plan, which is a multi-employer, defined benefit plan. The College also provides defined retirement and post-employment benefits and compensated absences to certain employee groups. These benefits include pension, health and dental and non-vesting sick leave. The actuarial determination of the accrued benefit obligations for pensions and other retirement benefits uses the projected benefit method prorated on service. The most recent actuarial valuation of the benefit plans for funding purposes was as of January 1, 2023. See note 11 for additional information.

The College has adopted the following policies with respect to accounting for these employee benefits:

# NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements (continued)

Year ended March 31, 2024

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## 1. Significant accounting policies (continued):

### (g) Employment-related obligations (continued):

- (i) The costs of post-employment future benefits are actuarially determined using the best estimate of health care costs, disability recovery rates and discount rates. Adjustments to these costs arising from changes in estimates and experience gains and losses are amortized to income over the estimated average remaining service life of the employee groups on a straight-line basis.
- (ii) The costs of the multi-employer defined benefit pension plan are the College's contributions due to the plan in the period.
- (iii) The cost of non-vesting sick leave benefits are actuarially determined using management's best estimate of salary escalation, employees' use of entitlement and discount rates. Adjustments to these costs arising from changes in actuarial assumption and/or experience are recognized over the estimated average remaining service life of the employees.
- (iv) The cost of short-term disability and other leaves is determined using management's best estimate of the length of the compensated absences.

### (h) Use of estimates:

The preparation of financial statements in conformity with Canadian Public Sector Accounting Standards, including the 4200 standards for government not-for-profit organizations, requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the period. Actual results could differ from these estimates. Areas of key estimation include determination of fair value for investments, allowance for doubtful accounts, amortization of capital assets and deferred capital contributions, estimated costs and timing of asset retirement obligations and actuarial estimation of employee future benefits and sick leave benefit entitlement liabilities.

Financial instruments are classified into value hierarchy levels 1, 2 or 3 for the purposes of describing the basis of inputs used to determine the fair market value of those amounts recorded at fair value as described below:

- Level 1 – Fair value measurements are those derived from unadjusted quoted market prices in active markets for identical assets or liabilities;
- Level 2 – Fair value measurements are those derived from observable or corroborated inputs, other than level 1, such as quoted prices for similar assets or liabilities in inactive markets or market data for substantially the full term of the assets or liabilities; and
- Level 3 – Fair value measurements are those derived from unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets and liabilities.

# NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements (continued)

Year ended March 31, 2024

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## 1. Significant accounting policies (continued):

### (i) Student organizations:

These financial statements do not reflect the assets, liabilities and results of operations of the various student organizations at the College.

### (j) Financial instruments:

The College classifies its financial instruments as either fair value or amortized cost. The College's accounting policy for each category is as follows:

#### Fair Value

This category includes equity instruments and mutual funds quoted in an active market. The College has designated its fixed income portfolio that would otherwise be classified into the amortized cost category as fair value as the College manages and reports performance of it on a fair value basis.

Financial instruments classified as fair value are initially recognized at cost and subsequently carried at fair value. Unrealized changes in fair value are recognized in the Statement of Remeasurement Gains and Losses until they are realized, when they are transferred to the Statement of Operations.

Transaction costs related to financial instruments classified as fair value are expensed as incurred.

Where a decline in fair value is determined to be other than temporary, the amount of the loss is removed from accumulated remeasurement gains and losses and recognized in the Statement of Operations. On sale, the amount held in accumulated remeasurement gains and losses associated with that instrument is removed and recognized in the Statement of Operations.

#### Amortized cost

This category includes accounts receivable and accounts payable and accrued liabilities.

Financial instruments classified as amortized cost are initially recognized at cost and subsequently carried at amortized cost using the effective interest rate method, less any impairment losses on financial assets, except for contributions, which are initially recognized at fair value.

Transaction costs related to financial instruments classified as amortized cost are added to the carrying value of the instrument.

Write-downs on financial assets classified as amortized cost are recognized when the amount of a loss is known with sufficient precision, and there is no realistic prospect of recovery. Financial assets are then written down to net recoverable value with the write-down being recognized in the Statement of Operations.

# NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements (continued)

Year ended March 31, 2024

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## 1. Significant accounting policies (continued):

### (k) Private career colleges:

The College has entered into contractual agreements that enable international students of the College to pursue a recognized Northern College program at a private career college. The College receives payment of tuition and fees directly from the enrolled students, and the College allocates a portion of the tuition and fees to the private career colleges in return for providing agreed-upon materials and services as per the terms of the agreement. The College has determined that it is acting as a principal in the provision of academic delivery to international students enrolled with the private career college, and accordingly the College recognizes revenue from the private career college agreement on gross basis in accordance with Canadian Public Sector Accounting Standards. The amount of tuition and fees received by the College for the students enrolled in these programs is recorded within International Program and Other revenue in the Statement of Operations. Expenses incurred by the College in fulfilling its obligations to the private career college are included in the Statement of Operations based on the nature of the expense. Expenses incurred by the private career college in fulfilling their contractual obligations are not included in the financial statements of the College.

### (l) Asset retirement obligations:

The College recognizes the fair value of an Asset Retirement Obligation ("ARO") when all of the following criteria have been met:

- There is a legal obligation to incur retirement costs in relation to a tangible capital asset;
- The past transaction or event giving rise to the liability has occurred;
- It is expected that future economic benefits will be given up; and
- A reasonable estimate of the amount can be made.

A liability for the removal of asbestos-containing materials in certain College facilities has been recognized based on estimated future expenses. Actual remediation costs incurred are charged against the ARO to the extent of the liability recorded. Differences between the actual remediation costs incurred and the associated liability recorded within the consolidated financial statements is recognized in the Statement of Operations at the time of remediation occurs.

# NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements (continued)

Year ended March 31, 2024

## 2. Change in accounting policies:

On April 1, 2023, the College adopted Canadian public sector accounting standard PS 3400 Revenue. The new accounting standard establishes a single framework to categorize revenue to enhance the consistency of revenue recognition and its measurement. As at March 31, 2024, the College determined that the adoption of this new standard did not have an impact on the amounts presented in the financial statements.

## 3. Investments:

	Fair value hierarchy	2024	2023
Canadian and foreign equities	Level 1	\$ 4,965,990	\$ 4,192,650
Fixed income	Level 2	3,202,916	2,949,455
Pooled funds	Level 2	440,506	420,305
Guaranteed investment certificate	Level 1	25,398,361	8,000,000
		\$ 34,007,773	\$ 15,562,410

The long-term investments include a guaranteed investment certificate in the amount of \$24 million bearing interest at 1.58% maturing in \$8 million increments annually with a final maturity date of April 14, 2026.

Equities have been separated from bonds to reflect their fair value hierarchy. Unrealized gains (losses) are reflected in the statement of remeasurement gains and losses.

Included within the investments is \$5,994,091 (2023 - \$5,899,566) which are externally restricted for endowments as detailed in the Schedule of Continuity of Restricted and Endowment Funds.

# NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements (continued)

Year ended March 31, 2024

## 4. Capital assets:

			2024	2023
	Cost	Accumulated Amortization	Net Book value	Net Book Value
Land	\$ 369,570	\$ —	\$ 369,570	\$ 369,570
Artwork	208,991	—	208,991	105,478
Buildings	70,252,443	34,837,223	35,415,220	33,348,919
Site improvements and betterments	29,200,247	4,772,150	24,428,097	19,665,604
Leasehold improvements	866,897	866,897	—	—
Furniture and equipment	34,196,246	30,658,102	3,538,144	3,882,911
Construction-in-progress	270,685	—	270,685	2,365,917
	\$ 135,365,079	\$ 71,134,372	\$ 64,230,707	\$ 59,738,399

## 5. Accounts payable and accrued liabilities:

	2024	2023
Trade and other	\$ 28,440,630	\$ 38,097,453
Payroll related liabilities	885,678	796,334
	\$ 29,326,308	\$ 38,893,787

## 6. Employment related obligations:

	2024	2023
Vacation and leave payable	\$ 2,344,177	\$ 2,230,191
Non-pension post-employment obligations	\$ 251,000	\$ 334,000
Sick leave benefits - vesting	—	—
- non-vesting	1,052,000	967,000
	\$ 1,303,000	\$ 1,301,000

### Vacation and leave payable

The accrual for vacation and leave payable represents the liability for earned but unpaid vacation entitlements and paid leaves.



# NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements (continued)

Year ended March 31, 2024

## 6. Employment related obligations (continued):

### Employee future benefits

#### Non-Vesting Sick Leave:

The College allocates to certain employee groups a specified number of days each year for use as paid absences in the event of illness or injury. These days do not vest and are available immediately. Employees are permitted to accumulate their unused allocation each year, up to the allowable maximum provided in their employment agreements. Accumulated days may be used in future years to the extent that the employee's illness or injury exceeds the current year's allocation of days. Sick leave is paid out at the salary in effect at the time of usage. The most recent actuarial valuation of these sick leave benefits was completed February 11, 2020 and the result of this valuation have been extrapolated to March 31, 2024. The related benefit liability was determined by independent actuaries on behalf of the college system as a whole.

The following tables outline the components of the College's sick leave benefit entitlement:

	2024	2023
Non-vesting sick leave:		
Accrued benefit obligation	\$ 1,426,000	\$ 1,151,000
Unamortized actuarial loss	(374,000)	(184,000)
Total sick leave benefit entitlement liability	\$ 1,052,000	\$ 967,000

	2024	2023
Current service cost	\$ 142,000	\$ 95,000
Interest on accrued benefit obligation	42,000	27,000
Benefit payments	(132,000)	(99,000)
Unamortized actuarial loss	223,000	250,000
Sick leave benefit expense	\$ 275,000	\$ 273,000

The probability that the employee will use more sick days than the annual accrual and the excess number of sick days used are within ranges of 0% to 23.5% (2023 - 0% - 26.2%) and 0 to 54 days (2022 - 0 to 51.0 days) respectively for age groups ranging from 20 and under to 65 and over in bands of five years.

# NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements (continued)

Year ended March 31, 2024

## 6. Employment related obligations (continued):

### Employee future benefits (continued)

Other Employee Future Benefits:

The College provides extended health care, dental insurance and life insurance benefits to certain of its employees under a multi-employer plan under CAAT. This coverage may be extended to the post-employment period. The most recent actuarial valuation of these employee future benefits was completed February 5, 2020 for the non-pension post-retirement plan and February 11, 2020 for the continuation of medical and dental benefits and the life waiver of premium benefit for employees currently on long-term disability. The results of these valuations have been extrapolated to March 31, 2024.

The related benefit liability was determined by independent actuaries on behalf of the college system as a whole. Variances between actuarial funding estimates and actual experience may be material and any differences are generally to be funded by the participating members. The College recognizes as expense for current services the amount of its required contribution in a given year and the change in the accrued benefit liability in the year.

The following tables outline the components of the College's employee future benefits liability and the related recovery:

	2024	2023
Accrued benefit obligations	\$ 299,000	\$ 405,000
Fair value of plan assets	(70,000)	(98,000)
Funded status - plan deficit	229,000	307,000
Unamortized actuarial loss	22,000	27,000
Employee future benefits liability	\$ 251,000	\$ 334,000

	2024	2023
Current service cost	\$ 1,000	\$ 1,000
Interest on accrued benefit obligation	1,000	1,000
Experience (gains) losses	(106,000)	44,000
Benefit payments	(2,000)	(3,000)
Amortized actuarial gains	—	(1,000)
Employee future benefits expense (recovery)	\$ (106,000)	\$ 42,000

# NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements (continued)

Year ended March 31, 2024

## 6. Employment related obligations (continued):

### Employee future benefits (continued)

The significant actuarial assumptions adopted in estimating the College's accrued benefit liability are as follows:

	2024	2023
Discount rate	3.4%	2.9%
Dental benefit cost escalation	4.0%	4.0%
Medical benefits cost escalation:		
Hospital and other medical drugs	4.0%	4.0%
Drugs	6.16% decreasing to 4.0% in 2040	6.16% decreasing to 4.0% in 2040

## 7. Bank borrowing facilities:

The College's bank borrowing facilities provide for the following:

- (i) \$1,000,000 operating line of credit bearing interest at prime less 0.5%
- (ii) \$1,000,000 lease line of credit for equipment financing, with the interest rate determined at time the financing is drawn

There has been \$Nil amounts drawn on either line of credit noted above at March 31, 2024 (2023 - \$Nil). The bank borrowing facilities are secured by a general security agreement.

## 8. Deferred contributions:

	2024	2023
Student tuition fees	\$ 15,606,128	\$ 67,871,444
Externally restricted contributions	97,071	174,498
Expenses for future periods	407,829	2,224,021
	<b>\$ 16,111,028</b>	<b>\$ 70,269,963</b>

# NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements (continued)

Year ended March 31, 2024

## 8. Deferred contributions (continued):

Details of the continuity of these funds are as follows:

	2024	2023
Balance, beginning of year	\$ 70,269,963	\$ 20,830,941
Additional contributions received	15,693,012	69,762,290
Amounts taken into revenue	(69,851,947)	(20,323,268)
Balance, end of year	\$ 16,111,028	\$ 70,269,963

## 9. Deferred capital contributions:

Deferred capital contributions represent the unamortized balances of donations and grants received for capital asset acquisitions. Details of the continuity of these funds are as follows:

	2024	2023
Balance, beginning of year	\$ 37,821,383	\$ 36,657,829
Additional contributions received	3,372,624	3,541,593
Amounts amortized into revenue	(2,610,330)	(2,378,039)
Balance, end of year	\$ 38,583,677	\$ 37,821,383

## 10. Capital fund:

(a) The equity in capital assets is calculated as follows:

	2024	2023
Capital assets	\$ 64,230,707	\$ 59,738,399
Amounts financed by:		
Unamortized deferred capital contributions	(38,583,677)	(37,821,383)
	\$ 25,647,030	\$ 21,917,016

(b) Transfer for capital assets:

	2024	2023
Purchase of capital assets	\$ 8,959,209	\$ 8,746,798
Amounts funded by deferred capital contributions	(3,372,623)	(3,541,593)
	\$ 5,586,586	\$ 5,205,205

# NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements (continued)

Year ended March 31, 2024

## 11. Pension plan:

Contributions made by the College during the year amounted to \$ 3,669,429 (2023 - \$3,016,938).

Substantially all of the employees of the College are members of the Colleges of Applied Arts and Technology ("CAAT") Pension Plan (the "Plan"), which is a multi-employer defined benefit pension plan available to all eligible employees of the participating members of the CAAT. The College makes contributions to the Plan equal to those of the employees. Contribution rates are set by the Plan's governors to ensure the long-term viability of the Plan.

Any pension surplus or deficit is a joint responsibility of the members and employers and may affect future contribution rates. The College does not recognize any share of the Plan's pension surplus or deficit as insufficient information is available to identify the College's share of the underlying pension asset and liabilities. The most recent actuarial valuation filed with pension regulators as at January 1, 2024 the CAAT pension plan had increased its funding reserve to \$5.3 billion and is currently funded on a going-concern basis.

## 12. Restricted funds:

The following information outlines expendable funds available for awards of the Ontario Student Opportunity Trust Fund 1 (OSOTF I), the Ontario Student Opportunity Trust Fund II (OSOTF II) and Ontario Trust for Student Support Fund (OTSS) matching program and other endowments.

### Schedule of changes in expendable funds available for awards

For the year ended March 31

	Balance, beginning of year	Investment income, net of expenses	Bursaries awarded	Balance, end of year
OSOTF I (Bursaries awarded – 718; 2023 - 633)	\$ 1,802,355	\$ 1,101,120	\$ 848,450	\$ 2,055,025
OSOTF II (Bursaries awarded – 106; 2023 - 86)	563,598	236,990	107,203	693,385
OTSS (Bursaries awarded – 98; 2023 – 82)	1,174,061	437,464	130,755	1,480,770
Other (Bursaries awarded – 54; 2023 – 46)	1,552,599	599,500	88,150	2,063,949
	\$ 5,092,613	\$ 2,375,074	\$ 1,174,558	\$ 6,293,129

# NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements (continued)

Year ended March 31, 2024

## 13. Commitments:

(a) The College has a five year lease with the Attorney General for a section of its Kirkland Lake campus for a courthouse at \$155,952 per year. The lease expires November 2028.

(b) The College has entered into agreements to lease certain premises and equipment.

The total annual minimum lease payments to maturity are approximately as follows:

2025	\$ 2,919,587
2026	260,626
2027	240,236
2028	212,616
2029	207,543
	<hr/>
	\$ 3,840,608

## 14. Changes in non-cash working capital:

	2024	2023
Decrease (increase) in accounts receivable	\$ 1,065,375	\$ (2,238,382)
Decrease (increase) in grants receivable	782,638	(979,690)
Decrease in inventories and prepaid expenses	231,142	49,968
Decrease in accounts payable and accrued liabilities	(9,567,479)	(36,199,402)
Increase in vacation and leave payable	113,986	88,733
Increase (decrease) in deferred contributions	(54,158,935)	49,439,022
Increase (decrease) in asset retirement obligation	20,121	(28,000)
	<hr/>	<hr/>
	\$ (61,513,152)	\$ 10,132,249

## 15. Asset retirement obligations:

The College has accrued for asset retirement obligations related to the legal requirement for the removal or remediation of asbestos-containing materials in certain facilities and the remediation of underground fuel storage tanks. The obligation is determined based on the estimated undiscounted cash flows that will be required in the future to remove or remediate the asbestos containing material and underground fuel storage tanks in accordance with current legislation.

# NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements (continued)

Year ended March 31, 2024

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## 15. Asset retirement obligations (continued):

The change in the estimated obligation during the year consists of the following:

	2024	2023
Balance, beginning of year	\$ 428,107	\$ 428,107
Adjustment for inflationary impact	20,121	–
Total obligation at March 31	448,228	428,107
Less: current portion reported in accounts payable and accrued liabilities	(28,000)	(28,000)
Balance, end of year	\$ 420,228	\$ 400,107

## 16. Contingency:

The College is involved with outstanding and pending litigation and claims which arise in the normal course of operations, primarily as a result of grievances filed under the provisions of the union collective agreements. In management's opinion any liability that may arise from such contingencies would not have a significant adverse effect on the financial statements of the College. Losses in excess of the provision recorded in the financial statements, if any, arising from these contingencies will be accounted for in the year in which they are determined.

## 17. Guarantees:

In 2015, Campus Development Corp. ("CDC") constructed a 64-bed residence on the College's Haileybury Campus. CDC has leased the property from the College for 90 years. The College has guaranteed 100% occupancy of the residence to CDC to 2035 at an annual cost of \$6,250 per bed. This amount increases by the amount of the Consumer Price Index per year. Profit sharing with the College commences in the 26<sup>th</sup> year. At the termination of the lease, the residence is surrendered to the College.

# NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements (continued)

Year ended March 31, 2024

## 18. Risk management:

### (a) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations, resulting in a financial loss. The College is exposed to credit risk relating to its cash, grants and accounts receivable and investments. The College holds its cash accounts with federally regulated chartered banks who are insured by the Canadian Deposit Insurance Corporation. In the event of default, the College's cash accounts are insured up to \$300,00 (2023 - \$300,000).

Accounts receivable are comprised of government, student receivables and other receivables. Student receivables are ultimately due from students, and credit risk is mitigated by financial approval processes before a student is enrolled and the highly diversified nature of the student population. Government receivables are ultimately due primarily from MCU, as well as other government entities, and credit risk is mitigated by the governmental nature of the funding source. Other receivables arise during the course of the College's normal operations and are due from a diverse customer base. The College measures its exposure to credit risk based on how long the amounts have been outstanding. An impairment allowance is set up based on the College's historical experience regarding collections.

Student and other receivables not impaired are collectible based on the College's assessment and past experience regarding collection rates. The maximum exposure to credit risk of the College at March 31, 2024 is the carrying value of these assets.

The amounts outstanding at year end were as follows:

As at March 31, 2024	Current	31 - 60 days	60 - 90 days	91+ days	Total
Grants receivable	\$ 1,648,583	\$ —	\$ —	\$ —	\$ 1,648,583
Accounts receivable	2,350,831	1,270,428	1,270,428	806,488	5,698,175
Gross receivables	3,999,414	1,270,428	1,270,428	806,488	7,346,758
Impairment allowances	(492,179)	(399,710)	(399,710)	(37,868)	(1,329,467)
Net receivables	\$ 3,507,235	\$ 870,718	\$ 870,718	\$ 768,620	\$ 6,017,291



# NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements (continued)

Year ended March 31, 2024

## 18. Risk management (continued):

### (a) Credit risk (continued):

As at March 31, 2023	Current	31 - 60 days	60 - 90 days	91+ days	Total
Grants receivable	\$ 2,431,221	\$ –	\$ –	\$ –	\$ 2,431,221
Accounts receivable	2,327,453	2,410,997	2,410,997	511,212	7,660,659
Gross receivables	4,758,674	2,410,997	2,410,997	511,212	10,091,880
Impairment allowances	(332,117)	(269,720)	(269,720)	(25,553)	(897,110)
Net receivables	\$ 4,426,557	\$ 2,141,277	\$ 2,141,277	\$ 485,659	\$ 9,194,770

The maximum exposure to investment credit risk is outlined in note 3.

There have been no significant changes from the previous year in the College's exposure to credit risk or its policies, procedures and methods used to measure the risk.

### (b) Market risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of market factors. Market factors include three types of risk: currency risk, interest rate risk and equity risk.

The investment policies of the College operate within the constraints of the investment guidelines issued by the MCU. The policies' application is monitored by management, the investment managers and the Board of Governors. Diversification techniques are utilized to minimize risk.

There have been no significant changes from the previous year in the College's exposure to market risk or its policies, procedures and methods used to measure the risk.

#### (i) Currency risk:

Currency risk arises from the College's operations in different currencies and converting non-Canadian earnings at different points in time at different foreign currency levels when adverse changes in foreign currency rates occur. The College does not have any material transactions or financial instruments denominated in foreign currencies.

# NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements (continued)

Year ended March 31, 2024

## 18. Risk management (continued):

### (b) Market risk (continued):

#### (ii) Interest rate risk:

Interest rate risk is the potential for financial loss caused by fluctuations in fair value or future cash flows of financial instruments because of changes in market interest rates. The College is exposed to this risk through its interest bearing investments.

The College's bond portfolio has interest rates ranging from 1.5% to 3.5% with maturities ranging from 2024 to 2029. At March 31, 2024, a 1% fluctuation in interest rates, with all other variables held constant, would have an estimated impact on the fair value of fixed income investments of \$32,029 (2023 - \$29,495).

#### (iii) Equity risk:

Equity risk is the uncertainty associated with the valuation of assets arising from changes in equity markets. The College is exposed to this risk through its mutual fund holdings within its investment portfolio. At March 31, 2024, a 10% movement in the stock markets, with all other variables held constant, would have an estimated effect on the fair values of the College's equity holdings of \$496,599 (2023 - \$419,265).

### (c) Liquidity risk:

Liquidity risk is the risk that the College will not be able to meet all of its cash outflow obligations as they come due. The College mitigates this risk by monitoring cash activities and expected outflows through extensive budgeting and maintaining investments that may be converted to cash in the near-term if unexpected cash outflows arise. The College also maintains an unsecured line of credit with a Canadian chartered bank in the amount of \$1 million (2023 - \$1 million) to cover short-term funding needs. There was no balance outstanding on the line of credit at March 31, 2024 (2023 - \$Nil). Accounts payable are all current.

There have been no significant changes from the previous year in the College's exposure to liquidity risk or policies, procedures and methods used to measure the risk.

The following table sets out the contractual maturities (representing undiscounted contractual cash flows) of financial liabilities:

As at March 31, 2024	Within 6 months	6 – 12 months	1 – 5 years	5+ years	Total
Accounts payable	\$ 29,326,504	\$ –	\$ –	\$ –	\$ 29,326,504
Deferred contributions	8,055,511	8,055,511	–	–	16,111,022
Lease commitments	256,367	256,367	785,488	801,198	2,099,420
	\$ 37,638,382	\$ 8,311,878	\$ 785,488	\$ 801,198	\$ 47,536,946

# NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements (continued)

Year ended March 31, 2024

## 18. Risk management (continued):

(c) Liquidity risk (continued):

As at March 31, 2023	Within 6 months	6 – 12 months	1 – 5 years	5+ years	Total
Accounts payable	\$ 38,893,797	\$ –	\$ –	–	\$ 38,893,797
Deferred contributions	35,134,981	35,134,982	–	–	70,269,963
Lease commitments	218,131	218,130	259,826	–	696,087
	\$ 74,246,909	\$ 35,353,112	\$ 259,826	\$ –	\$109,859,847

## 19. Capital disclosures:

The College considers its operating capital to consist of net assets invested in capital assets, internally restricted net assets and unrestricted net assets. The College's overall objective for its capital is to fund capital assets, future projects and ongoing operations. The College manages its capital by appropriating amounts to internally restricted net assets for anticipated future projects, contingencies and other capital requirements.

The College also considers its endowments, as part of its capital. The College's objective with regards to endowments is to grow the endowment principal and maximize investment income to increase funding for student aid.

The College may not incur a deficit without the approval of the Minister of Colleges and Universities of Ontario. The College would be required to eliminate any accumulated deficit within a prescribed period of time.

The College is not subject to any other externally imposed capital requirements and its approach to capital management remains unchanged from the prior year.

# NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

## Schedule of Continuity of Restricted and Endowment Funds

Year ended March 31, 2024

### Restricted Funds

	Balance, March 31, 2023	Additions, transfers and investment income	Bursaries and other disbursements	Balance, March 31, 2024
Leaders of Tomorrow	\$ 601,424	\$ 203,330	\$ 21,000	\$ 783,754
Endowment income	4,491,189	2,171,744	1,153,559	5,509,374
Expendable funds	5,092,613	2,375,074	1,174,559	6,293,128
J.H. Drysdale Award	181,619	68,847	9,500	240,966
Other	28,439,631	8,172,715	1,078,201	35,534,145
Ancillary	7,063,071	20,000	1,702,782	5,380,289
Capital projects and operational initiatives	50,780,736	25,000,000	3,239,454	72,541,282
	\$ 91,557,670	\$ 35,636,636	\$ 7,204,496	\$ 119,989,810

### Endowment Funds

	Balance, March 31, 2023	Additions	Transfers	Balance, March 31, 2024
OSOTF I	\$ 2,752,800	\$ -	\$ -	\$ 2,752,800
OSOTF II	592,475	-	-	592,475
OTSS	1,093,660	-	-	1,093,660
Other	1,460,631	94,525	-	1,555,156
	\$ 5,899,566	\$ 94,525	\$ -	\$ 5,994,091
Total restricted and endowment funds	\$ 97,457,236	\$ 35,731,161	\$ 7,204,496	\$ 125,983,901

# NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

## Schedule of Operating Fund Revenues

Year ended March 31, 2024, with comparative information for 2023

	2024	2023
Grants:		
Post secondary:		
General operating grant	\$ 5,778,104	\$ 5,299,882
International student recovery	(1,050,000)	(423,750)
Special support grants	8,954,669	9,124,308
Second Career / WSIB grants	125,520	92,548
Grant for municipal taxation	46,275	50,625
Premise rental grant	-	100,800
	13,854,568	14,244,413
Employment and literacy:		
Apprenticeship	962,826	1,247,081
Literacy and Basic Skills	2,407,162	2,398,321
Employment programs	3,576,896	3,719,740
	6,946,884	7,365,142
Special purpose grants:		
Indigenous projects	566,656	532,695
Capital support grants	309,253	6,267
Accessibility grants	261,814	343,142
Daycare	422,679	425,624
OSAP bursaries	170,153	159,388
Other	2,757,284	2,501,316
	4,487,839	3,968,432
	\$ 25,289,291	\$ 25,577,987
International programs and other:		
Daycare fees	\$ 63,445	\$ 90,135
Rents	199,992	199,992
Contract training	1,654,633	4,115,093
International programs	94,848,394	77,889,044
Other fees	1,199,579	1,024,459
Miscellaneous	203,696	722,934
	\$ 98,169,739	\$ 84,041,657

# NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

## Schedule of Operating Expenses by Cost Object

Year ended March 31, 2024, with comparative information for 2023

	Academic	Administration	Student Services	Plant and Property	Community Services	Employment Training Programs	Total 2024	Total 2023
Academic salaries	\$ 17,374,179	\$ -	\$ 20,508	\$ -	\$ -	\$ -	\$ 17,394,687	\$ 14,734,349
Administration salaries	1,995,060	2,337,174	522,957	111,346	-	356,353	5,322,890	4,464,611
Support salaries	4,580,214	1,673,803	4,250,459	873,348	390,777	1,347,109	13,115,710	11,508,768
Stipends and allowances	-	-	209,312	-	-	542,289	751,601	1,315,032
Fringe benefits	5,032,164	1,016,895	1,206,525	251,761	89,599	496,418	8,093,362	6,928,599
Instructional supplies	1,978,282	14,374	341,782	-	4,497	52,321	2,391,256	2,588,580
Field work	35,710	-	-	-	15,269	-	50,979	43,992
Staff employment	-	159,879	-	-	-	-	159,879	31,764
Professional development	56,983	57,784	148,088	-	-	15,064	277,919	147,010
Travel	183,927	128,450	243,363	25,808	-	37,766	619,314	532,517
Promotion and advertising	709,313	834,889	1,685,858	-	-	(134)	3,229,926	1,913,132
Equipment maintenance	75,526	262	-	89,701	5,090	-	170,579	302,723
Telecommunications	196,616	57,089	-	-	-	33,108	286,813	284,510
Office supplies	59,815	179,696	217,162	12,062	-	23,254	491,989	404,987
Janitorial	-	101,364	-	48,587	1,229	-	151,180	113,214
Facilities maintenance	-	-	-	404,457	-	-	404,457	239,327
Vehicle	-	-	-	1,107	-	-	1,107	2,390
Insurance	-	364,239	-	-	-	-	364,239	358,946
Bank charges and bad debts	353,264	426,072	7,638	-	-	-	786,974	345,863
Professional fees	144,766	735,840	278,037	-	2,000	-	1,160,643	726,727
Contracted services	68,668,469	174,492	3,636,998	525,653	-	-	73,005,612	55,841,608
Utilities	28,158	-	-	1,216,552	-	-	1,244,710	1,032,231
Municipal taxation	-	-	-	141,000	-	-	141,000	71,250
Rentals	180,912	27,936	44,832	24,428	30,000	213,222	521,330	657,962
	\$ 101,653,358	\$ 8,290,238	\$ 12,813,519	\$ 3,725,810	\$ 538,461	\$ 3,116,770	\$ 130,138,156	\$ 104,590,092
Ancillary expense							2,891,861	2,753,089
Total expenses							\$ 133,030,017	\$ 107,343,181

# NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

## Schedule of Ancillary Revenue and Expenses

Year ended March 31, 2024, with comparative information for 2023

	2024	2023
<b>Bookstore Operations</b>		
Revenue	\$ 96,633	\$ 46,892
Operating expense	31,041	9,358
Excess of revenue over expense	\$ 65,592	\$ 37,534
<b>Student Residence Operations</b>		
Revenue:		
Rent	\$ 642,979	\$ 320,565
Service charges	-	38,359
	642,979	358,924
Expense:		
Operating	911,488	578,986
Deficiency of revenue over expense	\$ (268,509)	\$ (220,062)
<b>Parking Grounds Operations</b>		
Revenue	\$ 83,982	\$ 70,969
Operating expense	164,662	126,194
Deficiency of revenue over expense	\$ (80,680)	\$ (55,225)
<b>Ancillary Facilities Operations</b>		
Revenue	\$ 1,979,060	\$ 2,291,500
Operating expense	1,784,670	2,038,551
Excess of revenue over expense	\$ 194,390	\$ 252,949