

Financial Statements of

**NORTHERN COLLEGE OF
APPLIED ARTS AND TECHNOLOGY**

Year ended March 31, 2011



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INDEPENDENT AUDITORS' REPORT

To Governors of Northern College of Applied Arts and Technology

We have audited the accompanying financial statements of **Northern College of Applied Arts and Technology** which comprise the statement of financial position as at March 31, 2011, the statements of operations and changes in net assets and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, 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.

Auditors' Responsibility

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 comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Northern College of Applied Arts and Technology as at March 31, 2011, and its results of operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

June 1, 2011
Sudbury, Canada

NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY


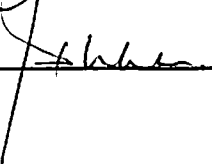
Statement of Financial Position

March 31, 2011, with comparative figures for 2010

	2011	2010
Assets		
Cash	\$ 12,077,921	\$ 10,442,017
Accounts receivable	997,430	791,178
Grants receivable	1,828,749	2,172,230
Inventories and prepaid expenses	106,058	89,779
Portfolio investments	4,277,413	4,115,131
	19,287,571	17,610,335
Sinking fund investments	3,956,813	3,619,698
Capital assets (note 2)	32,689,901	21,714,291
	\$ 55,934,285	\$ 42,944,324
Liabilities, Deferred Contributions and Net Assets		
Current Liabilities:		
Accounts payable and accrued liabilities (note 3)	\$ 3,730,643	\$ 3,783,824
Vacation and leave payable (note 4)	2,113,565	1,966,571
	5,844,208	5,750,395
Post-employment and sick leave (note 4)	1,007,460	1,028,780
Long-term debt (note 5)	4,439,000	4,439,000
Deferred contributions (note 6)	4,947,915	4,750,600
Deferred capital contributions (note 7)	28,397,321	18,030,145
Net Assets:		
Operating	1,337,541	1,093,441
Employment-related	(3,121,025)	(2,995,351)
Capital (note 8)	4,179,247	3,801,189
Restricted and endowment	8,902,618	7,046,126
	11,298,381	8,945,405
Commitments (note 10)		
Contingency (note 12)		
	\$ 55,934,285	\$ 42,944,324

See accompanying notes to financial statements.

On behalf of the Board:


 _____ Chair, Board of Governors

 _____ President

NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Statement of Operations and Changes in Net Assets

March 31, 2011, with comparative figures for 2010

	Operating		Equity in capital assets	Restricted and Endowment (Schedule)	Total 2011	Total 2010
	Current operations (Schedules)	Employment- related				
Revenue:						
Grants and reimbursements	\$ 30,670,714	-	-	-	30,670,714	29,695,179
Tuition fees	4,944,462	-	-	-	4,944,462	4,448,940
Ancillary sales and services	2,510,382	-	-	-	2,510,382	2,320,279
Other	4,276,910	-	-	-	4,276,910	3,034,484
Amortization of deferred capital contributions (note 7)	-	-	1,462,355	-	1,462,355	873,351
Restricted	-	-	-	899,473	899,473	423,314
Investment income	189,722	-	337,115	119,630	646,467	596,265
	42,592,190	-	1,799,470	1,019,103	45,410,763	41,391,812
Expenses:						
Academic	22,511,074	-	-	-	22,511,074	18,875,514
Administration	6,122,273	-	-	-	6,122,273	5,762,043
Student services	3,807,751	-	-	-	3,807,751	3,239,114
Plant and property	1,843,131	-	-	-	1,843,131	2,404,175
Community services	647,054	-	-	-	647,054	1,239,842
Employment training programs	2,811,991	-	-	-	2,811,991	3,896,154
Ancillary	2,675,105	-	-	-	2,675,105	2,411,043
Amortization of capital assets	-	-	1,719,123	-	1,719,123	1,279,882
Restricted	-	-	-	927,638	927,638	492,314
Post-employment and vacation	-	125,674	-	-	125,674	(177,814)
	40,418,379	125,674	1,719,123	927,638	43,190,814	39,422,267
Excess (deficiency) of revenue over expenses	2,173,811	(125,674)	80,347	91,465	2,219,949	1,969,545
Net assets, beginning of year	1,093,441	(2,995,351)	3,801,189	7,046,126	8,945,405	6,910,840
Ontario Trust for Student Support	-	-	-	133,027	133,027	65,020
Transfer of capital assets	(297,711)	-	297,711	-	-	-
Transfer to restricted funds	(1,632,000)	-	-	1,632,000	-	-
Net assets, end of year	\$ 1,337,541	(3,121,025)	4,179,247	8,902,618	11,298,381	8,945,405

See accompanying notes to financial statements.

NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Statement of Cash Flows

March 31, 2011, with comparative figures for 2010

	2011	2010
Cash flows from operating activities:		
Excess of revenue over expenses	\$ 2,219,949	\$ 1,969,545
Adjustments for:		
Amortization of deferred capital contributions (note 7)	(1,462,355)	(873,351)
Amortization of capital assets	1,719,123	1,279,882
Decrease in post-employment and sick leave	(21,320)	(28,748)
	2,455,397	2,347,328
Changes in non-cash working capital (note 11)	214,763	2,031,844
	2,670,160	4,379,172
Cash flows from financing and investing activities:		
Endowment contributions	133,027	65,020
Purchase of capital assets	(12,694,732)	(7,483,347)
Deferred capital contributions	11,829,532	5,634,598
Deferred contributions	197,315	2,568,363
Change in value of portfolio investments	(162,282)	(231,482)
Increase in value of sinking fund	(337,115)	(308,393)
	(1,034,255)	244,759
Net increase in cash	1,635,905	4,623,931
Cash, beginning of year	10,442,017	5,818,086
Cash, end of year	\$ 12,077,921	\$ 10,442,017

See accompanying notes to financial statements.

NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements

Year ended March 31, 2011

1. Significant accounting policies:

(a) Fund accounting:

The accounts are maintained in accordance with the principles of fund accounting. The operating fund accounts for transactions related to current operations. The capital fund accounts for capital assets and the transactions related to their acquisition, disposal, debt commitments and amortization. Restricted and endowment funds consist of scholarships and bursaries for future students of the College and other special projects whose funds are administered by the College as well as endowments from the Ontario Student Opportunity Trust Funds and Ontario Trust for Student Support Funds which report the resources contributed under these matching programs.

(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 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. Interest income earned on the resources of this endowment fund is reported in the restricted fund.

Tuition fees are recognized as revenue based on the number of teaching days within the period.

(c) Investments:

Portfolio investments are recorded at market value.

Sinking-fund investment is recorded at amortized cost.

NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements

Year ended March 31, 2011

1. Significant accounting policies (continued):

(d) Capital assets:

Capital asset purchases are recorded at cost. Capital assets that are donated are recorded at their fair market value at the date of acquisition. Amortization of capital assets is recorded on the straight-line basis over the following periods:

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

Capital assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by comparison of the carrying amount of an asset to estimate undiscounted cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment change is recognized by the amount by which the carrying amount of the asset exceeds the fair value of the asset.

(e) Employment-related obligations:

Vacation entitlements are accrued for as entitlements are earned (note 4).

Sick leave benefits are accrued where they are vested and subject to pay out when an employee leaves the College (note 4).

For the post-employment benefits (continuation of life, medical and dental during LTD), these benefits are accounted for on a terminal basis, in comparison to the non-pension post-retirement benefit which is accounted on an accrual basis. This means that the liability for the post-employment benefit is accrued only when a LTD claim occurs. For these benefits, the full change in the liability is being recognized immediately as an expense in the year (note 4).

The College is an employer member of the Colleges of Applied Arts and Technology Pension Plan, which is a multi-employer defined benefit pension plan. The College has adopted defined contribution account principles for this Plan because insufficient information is available to apply defined benefit accounting principles.

NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements

Year ended March 31, 2011

1. Significant accounting policies (continued):

(f) Use of estimates:

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Significant items subject to such estimates and assumptions include the carrying value of capital assets, valuation allowances for receivables; valuation of derivative financial instruments; and assets and obligations related to employee future benefits. Actual results could differ from those estimates. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the year in which they become known.

(g) Financial instruments:

The College accounts for its financial assets and liabilities in accordance with Canadian generally accepted accounting principles.

The financial instruments are classified into one of five categories: held-for-trading, held-to-maturity, loans and receivables, available-for-sale financial assets or other financial liabilities. All financial instruments, including derivatives, are measured in the statement of financial position at fair value except for loans and receivables, held-to-maturity investments and other financial liabilities which are measured at amortized cost. Held-for-trading financial assets are measured at fair value and changes in fair value are recognized in net earnings.

In accordance with Canadian generally accepted accounting principles, the College has undertaken the following:

- (i) Designated cash and portfolio investments as held-for-trading, being measured at fair value.
- (ii) The sinking-fund investments are designated as held-to-maturity, which is measured at amortized cost.
- (iii) Accounts receivable and grants receivable are classified as loans and receivables, which are measured at amortized cost.
- (iv) Accounts payable and accrued liabilities, vacation payable and long-term debt are classified as other financial liabilities, which are measured at amortized cost.

The College continues to disclose financial instruments under CICA Handbook Section 3861.

NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements

Year ended March 31, 2011

2. Capital assets:

	2011		2010	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Land	\$ 369,570	–	369,570	–
Buildings	47,390,423	20,422,750	33,543,249	19,637,346
Construction in progress	253,479	–	5,819,057	–
Site improvements and parking lots	310,892	289,758	310,892	281,773
Leasehold improvements	866,897	596,101	596,101	596,101
Furniture and equipment	17,376,620	12,569,371	13,234,279	11,643,637
	66,567,881	33,877,980	53,873,148	32,158,857
Less accumulated amortization	33,877,980		32,158,857	
	\$ 32,689,901		21,714,291	

3. Accounts payable and accrued liabilities:

	2011	2010
Trade and other	\$ 2,849,965	\$ 3,216,865
Payroll related liabilities	880,678	566,959
	\$ 3,730,643	\$ 3,783,824

NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements

Year ended March 31, 2011

4. Employment related obligations:

	2011	2010
Vacation payable	\$ 2,113,565	\$ 1,966,571
Non-pension post-employment obligations	\$ 572,000	\$ 568,000
Sick leave benefits	435,460	460,780
	\$ 1,007,460	\$ 1,028,780

The benefit obligations accrued at March 31, 2011 amounted to \$391,000 (2010 - \$399,000). Benefit plan interest and current service costs recorded in the year were \$28,000 (2010 - \$11,000) and the amortization of actuarial gain of \$Nil (2010 - \$Nil). The benefits paid out in the year were \$24,000 (2010 - \$43,000). These amounts represent the results of the actuarial valuation completed in March 2011.

Effective September 1, 2005, the cost of the early retiree benefits is no longer subsidized by the College as a result of the separation of the early retirees' benefit premium rate from the active employees' benefit premium rate. Two exceptions to this change are as follows:

- Existing early retirees and employees who retired on or before August 31, 2005 will continue to be experience rated with active employees and pay subsidized premium rates until age 65; and
- Academic early and normal retirees will continue to pay the same premium rate as the active employees for the Life Insurance benefits to age 75, as outlined in the collective agreement.

The actuarial valuations of the plans were based upon a number of assumptions about future events, which reflect management's best estimates. The following represents the true significant assumptions made:

	2011	2010
Discount rate	4.75%	4.75%
Health Care Trend Rates		
- Drugs (updated in 2011, reducing to 4.5% in 2026)	10.5%	9.5%
- Hospital and other medical	4.5%	4.5%
- Dental cost (reducing to 4.5% in 2023)	6.9%	7%

The College is liable to pay 50% of certain faculty members' accumulated sick leave credits on termination or retirement. The Ministry of Training, Colleges and Universities ("MTCU") currently undertakes the annual funding of these expenditures.

NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements

Year ended March 31, 2011

5. Long-term debt:

The long-term debt of \$4,439,000 is a loan payable to the Ontario Mortgage and Housing Corporation. The loan bears a fixed interest rate of 9.17% and is secured by a first mortgage on the student residence at the Porcupine campus. Under the terms of the loan agreement, interest payments of \$203,528 are made semi-annually and the principal amount will be repaid on July 1, 2012. By Board resolution, a 9.5% Province of Ontario sinking-fund investment will be used at maturity to retire this loan payable.

6. Deferred contributions:

Details of the continuity of these funds are as follows:

	2011	2010
Balance, beginning of year	\$ 4,750,600	\$ 2,182,237
Additional contributions received	3,663,736	6,061,593
Amounts taken into revenue	(3,466,421)	(3,493,230)
Balance, end of year	\$ 4,957,915	\$ 4,750,600

7. Deferred capital contributions:

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

	2011	2010
Balance, beginning of year	\$ 18,030,145	\$ 13,268,898
Additional contributions received	11,829,531	5,634,598
Amounts amortized into revenue	(1,462,355)	(873,351)
Balance, end of year	\$ 28,397,321	\$ 18,030,145

NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements

Year ended March 31, 2011

7. Deferred capital contributions (continued):

The balance of unamortized and unspent funds consists of the following:

	2011	2010
Unamortized deferred capital contributions	\$ 28,028,467	\$ 17,093,800
Unspent contributions	368,854	936,345
Balance, end of year	\$ 28,397,321	\$ 18,030,145

8. Capital fund:

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

	2011	2010
Capital assets	\$ 32,689,901	\$ 21,714,291
Amounts financed by:		
Unamortized deferred capital contributions	(28,028,467)	(17,093,800)
Long-term mortgage debt, net of sinking-fund investment (note 5)	(482,187)	(819,302)
	\$ 4,179,247	\$ 3,801,189

b) Transfer for capital assets:

	2011	2010
Purchase of capital assets	\$ 12,694,732	\$ 7,483,347
Amounts funded by deferred capital contributions	(12,397,021)	(6,590,805)
	\$ 297,711	\$ 892,542

NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements

Year ended March 31, 2011

9. Pension plan:

Contributions made by the College during the year amounted to approximately \$1,937,914 (2010 - \$1,783,167).

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. Plan members will receive benefits based on the length of service and on the average of annualized earnings during the highest five consecutive years prior to retirement, termination or death. 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.

Pension assets consist of investment grade securities. Market and credit risk on these securities are managed by the Plan by placing Plan assets in trust and through the Plan investment policy.

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 2, 2011 indicated an actuarial surplus of \$88 million.

10. Commitments:

- (a) The College has a ten year lease with the Attorney General for a section of its Kirkland Lake campus for a courthouse at \$147,003 per year. The lease expires November 2013.
- (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:

2012	\$ 415,220
2013	307,952
2014	204,704
2015	160,003
2016	130,106
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	\$ 1,217,985

NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements

Year ended March 31, 2011

11. Changes in non-cash working capital:

	2011	2010
Decrease (increase) in accounts receivable	\$ (206,252)	\$ 312,278
Decrease in grants receivable	343,481	512,034
Decrease (increase) in inventories and prepaid expenses	(16,279)	16,090
Increase (decrease) in accounts payable and accrued liabilities	(53,182)	1,340,509
Increase (decrease) in vacation and leave payable	146,994	(149,067)
	\$ 214,761	\$ 2,031,844

12. Contingency:

As at March 31, 2011, certain legal actions are pending against the College. An estimate of the contingency cannot be made since the outcome of these matters is indeterminate. Should any loss result from the resolution of these matters, such loss would be charged to operations in the year of disposition.

13. Financial instruments:

(a) Fair value of financial assets and financial liabilities:

The carrying values of cash, accounts receivable, grants receivable, portfolio investments and accounts payable and accrued liabilities approximate their fair value due to the relatively short periods to maturity of these items.

Market value of sinking-fund investments is \$4,321,367 (2010 - \$4,205,952).

The fair value of the long-term debt amounts to approximately \$4.730 million (2010 - \$4.824 million) as compared to its carrying amount of \$4.439 million (2010 - \$4.439 million). The fair value of the mortgage instrument was calculated using the future cash flows (principal and interest) of the actual outstanding debt instrument, discounted at current market rates available to the College for a similar instrument.

(b) Concentrations of credit risk:

The College is exposed to credit-related losses in the event of non-performance by counterparties to financial instruments. Credit exposure is minimized by dealing with credit worthy counterparties such as government agencies and public companies. The College also enforces approved collection policies for student accounts.

NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements

Year ended March 31, 2011

14. Capital disclosures:

The College considers its operating capital to consist of long-term debt, 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 Training, 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.

15. Comparative figures:

Certain 2010 comparative figures have been reclassified to conform to the presentation adopted in 2011.

NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Schedule of Continuity of Restricted and Endowment Funds

Year ended March 31, 2011

Restricted Funds

	Balance, beginning of year	Additions	Scholarships and other disbursements	Balance, end of year
Board of Governors Entrance Scholarship	\$ 42,454	882	11,500	31,836
J.H. Drysdale Award	73,191	2,072	500	74,763
Other	580,851	1,079,384	702,839	957,396
Ontario Student Opportunity and Trust Disbursements Fund	210,600	109,950	194,311	126,239
Capital	2,289,719	1,458,816	18,488	3,730,047
	\$ 3,196,815	2,651,104	927,638	\$ 4,920,281

Endowment Funds

	Balance, beginning of year	Additions		Balance, end of year
Ontario Student Opportunity Trust Fund 1	\$ 2,748,800	-	-	\$ 2,748,800
Ontario Student Opportunity Trust Fund 2	570,897	-	-	570,897
Ontario Trust for Student Support Fund	529,624	133,027	-	662,651
	\$ 3,849,321	133,027	-	\$ 3,982,348

Total restricted and endowment funds	\$ 7,046,136	2,784,131	927,638	8,902,629
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See accompanying notes to financial statements.

NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Schedule of Operating Fund Revenues

March 31, 2011, with comparative figures for 2010

	2011	2010
Grants and reimbursements:		
Post Secondary:		
General operating grant	\$ 8,261,932	\$ 8,036,780
Special support grants	9,290,493	7,931,804
Grant for municipal taxation	100,350	100,950
Rental add-on grant	74,409	492,744
	<u>17,727,184</u>	<u>16,562,278</u>
Industrial Skills and Adult Training:		
Federal Programs	1,555,319	4,192,608
Apprenticeship per diem grant	1,860,461	1,799,730
Literacy and Basic Skills/Emerging Skills	3,374,015	2,050,152
Employment programs	3,128,707	2,811,916
	<u>9,918,502</u>	<u>10,854,407</u>
Special Purpose Grants:		
Aboriginal projects	301,042	300,000
Plant	1,366,240	423,131
Special needs	334,678	319,442
Day care and social services funding	579,028	807,316
Termination/sick leave buyout recovery	65	56,660
OSAP special bursaries	343,632	253,722
Other	100,344	118,224
	<u>3,025,028</u>	<u>2,278,495</u>
	<u>\$ 30,670,714</u>	<u>\$ 29,695,179</u>
Tuition fees:		
Post-secondary	\$ 4,890,876	\$ 4,403,377
Industrial skills and adult training	53,586	45,564
	<u>\$ 4,944,462</u>	<u>\$ 4,448,940</u>
Other revenue:		
Daycare fees	\$ 79,060	\$ 243,694
Special employment programs	50,794	46,350
Rents	199,992	199,992
Excluded activity fees	2,359,820	1,374,586
Other fees	1,156,299	1,037,563
Miscellaneous	430,947	132,299
	<u>\$ 4,276,910</u>	<u>\$ 3,034,484</u>

See accompanying notes to financial statements.

NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Schedule of Operating Expense by Cost Object

March 31, 2011, with comparative figures for 2010

	Academic	Administration	Student Services	Plant and Property	Community Services	Employment Training Programs	Total 2011	Total 2010
Academic salaries	\$ 11,643,860	68,414	3,110	-	-	-	\$ 11,715,384	\$ 10,796,563
Administration salaries	748,991	1,087,559	113,391	41,670	29,190	131,977	2,152,778	2,194,306
Support salaries	1,901,087	2,202,787	1,675,562	567,395	410,917	1,390,882	8,148,630	7,971,712
Stipends and allowances	230,681	14,740	623,697	-	-	533,978	1,403,096	2,145,724
Fringe benefits	2,585,171	781,037	429,637	112,286	120,377	383,822	4,412,330	4,126,856
Instructional supplies	2,256,594	7,139	231,911	-	7,433	55,953	2,559,030	1,858,133
Field work	35,690	-	-	-	33,047	-	68,737	78,457
Staff employment	-	53,387	-	-	-	-	53,387	43,719
Professional development	6,450	106,218	-	-	225	5,641	118,534	114,561
Travel	515,336	122,768	118,858	581	83	31,165	788,791	503,251
Promotion and advertising	122,637	18,920	319,130	-	-	11,411	472,098	389,852
Equipment maintenance	53,191	49,932	190	30,537	-	8,204	142,054	162,162
Telecommunications	31,213	192,999	6,504	274	347	37,806	269,143	268,435
Office supplies	155,014	326,526	146,868	1,947	78	23,329	653,762	600,817
Janitorial	-	18,607	-	62,002	357	-	80,966	126,448
Facilities maintenance	-	-	-	134,930	-	-	134,930	392,577
Vehicle	-	-	-	10,796	-	-	10,796	10,476
Insurance	-	280,591	-	-	-	-	280,591	252,532
Interest	93,976	119,537	-	-	-	-	213,513	212,743
Professional fees	31,189	150,678	400	-	-	9,200	191,467	327,757
Contracted services	1,555,946	404,504	102,623	54,764	-	3,000	2,120,837	1,311,290
Utilities	-	-	-	725,599	-	-	725,599	782,476
Municipal taxation	-	-	-	100,350	-	-	100,350	100,950
Rentals	544,048	115,930	35,870	-	45,000	185,623	926,471	645,044
	\$ 22,511,074	6,122,273	3,807,751	1,843,131	647,054	2,811,991	37,743,274	35,416,842
Ancillary expense							2,675,105	2,411,043
Total expense							\$ 40,418,379	\$ 37,827,885

See accompanying notes to financial statements.

NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Schedule of Ancillary Revenue and Expenses

March 31, 2011, with comparative figures for 2010

	2011	2010
Bookstore Operations		
Revenue	\$ 146,875	\$ 135,712
Operating expense	29,140	15,526
Excess of revenue over expense	\$ 117,735	\$ 120,186
Student Residence Operations		
Revenue:		
Rent	\$ 388,562	\$ 398,672
Service charges	59,479	66,950
	448,041	465,622
Expense:		
Operating	365,390	349,982
Interest	407,056	407,056
	772,446	757,038
Deficiency of revenue over expense	\$ (324,405)	\$ (291,416)
Parking Grounds Operations		
Revenue	\$ 70,765	\$ 62,753
Operating expense	96,331	91,091
Deficiency of revenue over expense	\$ (25,566)	\$ (28,338)
Ancillary Facilities Operations		
Revenue	\$ 1,844,702	\$ 1,656,192
Operating expense	1,777,188	1,547,388
Excess of revenue over expense	\$ 67,514	\$ 108,804

See accompanying notes to financial statements.