

Financial Statements of

**NORTHERN COLLEGE OF
APPLIED ARTS AND TECHNOLOGY**

Year ended March 31, 2008



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AUDITORS' REPORT

To the Governors of
Northern College of Applied Arts and Technology

We have audited the following statements of **Northern College of Applied Arts and Technology** as at March 31, 2008 and for the year then ended:

Statement of Financial Position
Statement of Operations and Changes in Net Assets
Statement of Cash Flows

These financial statements are the responsibility of the College'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 College as at March 31, 2008 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Chartered Accountants, Licensed Public Accountants

Sudbury, Canada
May 16, 2008

NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Statement of Financial Position

March 31, 2008, with comparative figures for 2007

	2008	2007
Assets		
Cash	\$ 6,536,450	\$ 4,028,188
Accounts receivable	1,525,011	1,516,846
Grants receivable	1,210,388	2,328,695
Inventories and prepaid expenses	91,832	86,998
Portfolio investments	3,993,303	3,849,084
	13,356,984	11,809,811
Sinking-fund investments	3,029,187	2,771,104
Capital assets (note 3)	13,538,212	13,177,117
	\$ 29,924,383	\$ 27,758,032

Liabilities, Deferred Contributions and Net Assets

Current Liabilities:

Accounts payable and accrued liabilities (note 4)	\$ 2,462,640	\$ 2,427,428
Vacation payable (note 5)	2,031,874	1,916,298
	4,494,514	4,343,726

Post-employment and sick leave (note 5)	1,048,255	1,050,146
Long-term debt (note 6)	4,855,037	4,924,197
Deferred contributions (note 7)	3,930,275	3,658,270
Deferred capital contributions (note 8)	9,464,181	8,818,532

Net Assets:

Unrestricted:		
Operating	817,522	481,980
Employment-related	(3,080,129)	(2,966,444)
Capital (note 9)	2,203,468	2,101,171
Restricted and endowment	6,191,260	5,346,454
	6,132,121	4,963,161

Commitments (note 12)

Contingency (note 14)

	\$ 29,924,383	\$ 27,758,032
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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

Year ended March 31, 2008, with comparative figures for 2007

	Operating		Equity in capital assets	Restricted and Endowment (Schedule)	Total 2008	Total 2007
	Current operations (Schedules)	Employment- related				
Revenue:						
Grants and reimbursements	\$ 26,048,418	-	-	-	26,048,418	26,380,570
Tuition fees	3,072,960	-	-	-	3,072,960	2,995,938
Ancillary sales and services	1,611,684	-	-	-	1,611,684	1,375,553
Other	4,161,429	-	-	-	4,161,429	3,793,521
Amortization of deferred capital contributions	-	-	1,031,468	-	1,031,468	1,047,437
Restricted	-	-	-	299,310	299,310	462,609
Investment income	328,023	-	258,082	152,080	738,185	655,886
	35,222,514	-	1,289,550	451,390	36,963,454	36,711,514
Expenses:						
Academic	17,122,606	-	-	-	17,122,606	16,911,950
Administration	4,603,602	-	-	-	4,603,602	4,531,317
Student services	2,934,169	-	-	-	2,934,169	2,689,214
Plant and property	2,923,559	-	-	-	2,923,559	2,726,925
Community services	994,155	-	-	-	994,155	987,452
Employment training programs	3,771,855	-	-	-	3,771,855	3,644,494
Ancillary	1,671,791	-	-	-	1,671,791	1,471,926
Amortization of capital assets	-	-	1,428,826	-	1,428,826	1,484,011
Restricted	-	-	-	423,217	423,217	316,460
Post-employment and vacation	-	113,685	-	-	113,685	(21,967)
	34,021,737	113,685	1,428,826	423,217	35,987,465	34,741,782
Excess (deficiency) of revenue over expenses	1,200,777	(113,685)	(139,276)	28,173	975,989	1,969,732
Net assets, beginning of year	481,980	(2,966,444)	2,101,171	5,346,454	4,963,161	2,964,166
Change in accounting policy (note 2)	(42,352)	-	-	-	(42,352)	-
Net assets, beginning of year, as adjusted	439,628	(2,966,444)	2,101,171	5,346,454	4,920,809	2,964,166
Ontario Student Opportunity Trust Fund contributions	-	-	-	235,323	235,323	29,263
Transfer of capital assets	(222,883)	-	241,573	(18,690)	-	-
Transfer to restricted funds	(600,000)	-	-	600,000	-	-
Net assets, end of year	\$ 817,522	(3,080,129)	2,203,468	6,191,260	6,132,121	4,963,161

See accompanying notes to financial statements.

NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Statement of Cash Flows

Year ended March 31, 2008, with comparative figures for 2007

	2008	2007
Cash flows from operating activities:		
Excess of revenue over expenses	\$ 975,989	\$ 1,969,732
Adjustments for:		
Amortization of deferred capital contributions (note 8)	(1,031,468)	(1,047,437)
Amortization of capital assets	1,428,826	1,484,011
Decrease in post-employment and sick leave	(1,891)	(178,014)
Change in accounting policy for portfolio investments	(42,353)	-
	1,329,103	2,228,292
Changes in non-cash working capital (note 13)	1,256,096	(40,349)
	2,585,199	2,187,943
Cash flows from financing and investing activities:		
Endowment contributions	235,323	29,263
Purchase of capital assets	(1,789,921)	(721,977)
Deferred capital contributions	1,677,118	453,134
Deferred contributions	272,005	(550,107)
Change in value of portfolio investments	(144,219)	(32,971)
Increase in value of sinking-fund investments	(258,083)	(236,094)
Principal repayment of long-term debt	(69,160)	(65,731)
	(76,937)	(1,124,483)
Net increase in cash	2,508,262	1,063,460
Cash, beginning of year	4,028,188	2,964,728
Cash, end of year	\$ 6,536,450	\$ 4,028,188

See accompanying notes to financial statements.

NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements

Year ended March 31, 2008

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 investments are recorded at amortized cost.

NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements

Year ended March 31, 2008

1. Significant accounting policies (continued):

(d) Capital assets:

Capital asset purchases are recorded at cost. Property and equipment 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
Courthouse renovations	10 years
Furniture and equipment	5 years

(e) Employment-related obligations:

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

Sick leave benefits are accrued where they are vested and subject to pay out when an employee leaves the College (note 5).

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 5).

(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 date of the financial statements and the reported amounts of revenues and expenses during the periods specified. Actual results could differ from those estimates.

NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements

Year ended March 31, 2008

2. Accounting changes - financial instruments:

Effective April 1, 2007, the College adopted CICA Handbook Section 3855, "*Financial Instruments - Recognition and Measurement*", Section 3865, "*Financial Instruments - Hedges*", and Section 3861, and "*Financial Instruments – Disclosure and Presentation*".

Section 3861 establish standards for disclosure and presentation of financial instruments and non-financial derivatives, and identifies the information that should be disclosed about them. Under the new standards, policies followed for periods prior to the effective date generally are not reversed and therefore, the comparative figures have not been restated. Section 3865 describes when and how hedge accounting can be applied as well as the disclosure requirements.

Section 3855 prescribes when a financial asset, financial liability or non-financial derivative is to be recognized on the statement of financial position and at what amount, requiring fair value or cost-based measures under different circumstances. Under Section 3855, financial instruments must be classified into one of these 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. Subsequent measurement and changes in fair value will depend on their initial classification, as follows: held-for-trading financial assets are measured at fair value and changes in fair value are recognized in net earnings; available-for-sale financial instruments are measured at fair value with changes in fair value recorded in deferred contributions for externally restricted investments and the statement of changes in net assets for unrestricted investments.

Upon adoption of the new standards on April 1, 2007, the College designated its cash as held-for-trading, which is measured at fair value. Accounts receivable and grants receivable are designated as loans and receivables, which are measured at amortized cost. Portfolio investments are designated as held-for-trading, which are recorded at fair value. Sinking fund investments are designated as held-to-maturity, which are recorded at amortized cost. Accounts payable and accrued liabilities, vacation payable, post-employment and sick leave benefits, and long term debt are designated as other financial liabilities, which are measured at amortized cost.

The College has selected to account for transactions at the trade date.

As a result of the adoption of these new standards, an adjustment of \$42,352 has been made to the opening net assets to adjust the portfolio investments to market value.

NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements

Year ended March 31, 2008

3. Capital assets:

	2008		2007	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Land	\$ 169,570	–	169,570	–
Buildings	30,450,648	18,336,620	28,781,421	17,617,277
Site improvements and parking lots	310,892	265,562	310,892	255,735
Courthouse renovations	596,101	551,393	596,101	491,783
Furniture and equipment	11,501,089	10,336,513	11,380,395	9,696,467
	43,028,300	29,490,088	41,238,379	28,061,262
Less accumulated amortization	29,490,088		28,061,262	
	\$ 13,538,212		\$ 13,177,117	

4. Accounts payable and accrued liabilities:

	2008	2007
Trade and other	\$ 2,104,471	\$ 1,924,430
Payroll related liabilities	358,169	502,998
	\$ 2,462,640	\$ 2,427,428

NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements

Year ended March 31, 2008

5. Employment related obligations:

	2008	2007
Vacation payable	\$ 2,031,874	\$ 1,916,298
Non-pension post-employment obligations	\$ 579,000	\$ 573,000
Sick leave benefits	469,255	477,146
	\$ 1,048,255	\$ 1,050,146

The accrued benefit obligations accrued at March 31, 2008 amounted to \$440,000 (2007 - \$375,000). The net unamortized actuarial gain and plan assets were \$196,000 (2007 - \$198,000). Benefit plan interest and current service costs recorded in the year were \$32,000 (2007 - \$13,000) and the amortization of actuarial gain of \$2,000 (2006 - \$3,000). The benefits paid out in the year were \$25,000 (2007 - \$37,000). These amounts represent the results of the actuarial valuation completed in March 2008.

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:

	2008	2007
Discount rate	5.5%	4.85%
Health Care Trend Rate		
- Drugs (reducing to 5.5% in 2018)	10.5%	9%
- Hospital and other medical (reducing to 5% in 2018)	8%	5%
- Dental cost (reducing to 4.5% in 2014)	7.5%	4%

The College is liable to pay 50% of certain faculty members' accumulated sick leave credits on termination or retirement. The MTCU currently undertakes the annual funding of these expenditures.

NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements

Year ended March 31, 2008

6. Long-term debt:

The hydro retrofit assets acquisition was financed through a five year term loan with the Royal Bank, bearing interest at 5.15%.

Under the existing terms and rates, principal balance of \$416,037 is due in 2009.

The balance of the long-term debt of \$4,439,000 is a loan payable to the Canada Pension Plan. 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.

7. Deferred contributions:

	2008	2007
Balance, beginning of year	\$ 3,658,270	\$ 4,208,377
Additional contributions received	9,763,231	8,617,213
Amounts taken into revenue	(9,491,226)	(9,167,320)
Balance, end of year	\$ 3,930,275	\$ 3,658,270

NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements

Year ended March 31, 2008

8. Deferred capital contributions:

Deferred capital contributions represent the unamortized balance of donations and grants received for capital asset acquisitions.

Details of the continuity of these funds are as follows:

	2008	2007
Balance, beginning of year	\$ 8,818,532	\$ 9,412,835
Additional capital contributions	1,677,117	453,134
Less amounts amortized to revenue	(1,031,468)	(1,047,437)
Balance, end of year	\$ 9,464,181	\$ 8,818,532

9. Capital fund:

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

	2008	2007
Capital assets	\$ 13,538,212	\$ 13,177,117
Amounts financed by:		
Deferred capital contributions	(9,464,181)	(8,818,532)
Long-term mortgage debt net of sinking-fund investment (note 6)	(1,409,813)	(1,667,896)
Interfund loan (note 10)	(44,713)	(104,321)
Other long-term debt	(416,037)	(485,197)
	\$ 2,203,468	\$ 2,101,171

b) Transfer for capital assets:

	2008	2007
Purchase of capital assets	\$ 1,789,921	\$ 721,977
Amounts funded by deferred capital contributions	(1,677,118)	(453,134)
Repayments on long-term obligations	69,160	65,731
Interfund loan repayment for courthouse renovations	59,610	59,610
	\$ 241,573	\$ 394,184

NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements

Year ended March 31, 2008

10. Interfund loan:

A loan was established between the operating fund and the capital fund to fund the renovations necessary to lease a section of the Kirkland Lake campus to the Attorney General for a courthouse (note 12(a)). The interfund loan is being repaid over the ten year lease term, consistent with the depreciation of related capital assets (note 3).

11. Pension plan:

Employees are participants in the contributory retirement pension plans administered by The Colleges of Applied Arts and Technology Pension Plan. Under these arrangements, the College makes contributions equal to those of the employees. Contributions made by the College during the year amounted to approximately \$1,237,086 (2007 - \$1,116,946).

12. Commitments:

(a) The College has a ten year lease to the Attorney General of a section of its Kirkland Lake campus for a courthouse at \$117,591 per year. The lease expires November 2008 (notes 3 and 10).

(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:

2009	\$ 469,456
2010	73,456
2011	40,591
2012	23,186
2013	20,232
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	\$ 626,921

NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements

Year ended March 31, 2008

13. Changes in non-cash working capital:

	2008	2007
Accounts receivable	\$ (8,165)	\$ (325,071)
Grants receivable	1,118,307	(438,557)
Inventories and prepaid expenses	(4,834)	17,297
Accounts payable and accrued liabilities	35,212	549,935
Vacation payable	115,576	156,047
	<u>\$ 1,256,096</u>	<u>\$ (40,349)</u>

14. Contingency:

As at March 31, 2007, 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.

15. 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 \$3,764,272 (2007 - \$3,546,761).

The fair value of the long-term debt amounts to approximately \$5.5 million (2007 - \$5.7 million) as compared to its carrying amount of \$4.855 million (2007 - \$4.924 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.

NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Schedule of Continuity of Restricted and Endowment Funds

Year ended March 31, 2008

Restricted Funds

	Balance, beginning of year	Additions	Scholarships and other disbursements	Balance, end of year
South Region	\$ 186,480	118,936	36,370	\$ 269,046
North Region	321,623	106,553	55,410	372,766
College-wide	225,590	85,272	186,056	124,806
Board of Governors				
- Entrance scholarship	6,780	-	10,750	(3,970)
- Mature Student bursary	18,680	738	-	19,418
J.H. Drysdale Award	69,154	2,692	1,000	70,846
Ontario Student Opportunity and Trust Disbursements Fund	135,331	137,198	152,321	120,208
Capital	1,012,000	600,000	-	1,612,000
	\$ 1,975,638	1,051,389	441,907	\$ 2,585,120

Endowment Funds

	Balance, beginning of year	Additions		Balance, end of year
Ontario Student Opportunity Trust Fund 1	\$ 2,748,799	-	-	\$ 2,748,799
Ontario Student Opportunity Trust Fund 2	570,898	-	-	570,898
Ontario Trust for Student Support Fund	51,119	235,323	-	286,442
	\$ 3,370,816	235,323	-	\$ 3,606,139

Total restricted and endowment funds	\$ 5,346,454	1,286,712	441,907	\$ 6,191,259
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See accompanying notes to financial statements.

NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Schedule of Operating Fund Revenues

Year ended March 31, 2008, with comparative figures for 2007

	2008	2007
Grants and reimbursements:		
Post Secondary:		
General operating grant	\$ 6,020,177	\$ 6,336,376
Final diploma nursing grant	151,333	275,795
Special support grants	9,265,565	9,961,630
Grant for municipal taxation	97,200	105,375
Rental add-on grant	624,651	624,651
	<u>16,158,926</u>	<u>17,303,827</u>
Industrial Skills and Adult Training:		
Federal Programs	2,513,613	2,294,663
Apprenticeship per diem grant	1,309,055	1,199,504
Literacy and Basic Skills/Ontario Basic Skills program	1,359,298	1,120,695
Employment programs	2,528,015	2,390,512
	<u>7,709,981</u>	<u>7,005,374</u>
Special Purpose Grants:		
Aboriginal projects	300,000	300,000
Plant	428,072	257,690
Special needs	276,769	267,446
Day care and social services funding	766,809	751,254
Termination / sick leave buyout recovery	19,904	59,792
OSAP special bursaries	290,253	304,564
Other	97,704	130,623
	<u>2,179,511</u>	<u>2,071,369</u>
	<u>\$ 26,048,418</u>	<u>\$ 26,380,570</u>
Tuition fees:		
Post-secondary	\$ 3,007,750	\$ 2,938,932
Industrial skills and adult training	65,210	57,006
	<u>\$ 3,072,960</u>	<u>\$ 2,995,938</u>
Other revenue:		
Daycare fees	\$ 208,768	\$ 179,699
Special employment programs	43,930	46,380
Rents	199,992	199,992
Other fees	3,622,993	3,318,375
Miscellaneous	85,746	49,075
	<u>\$ 4,161,429</u>	<u>\$ 3,793,521</u>

See accompanying notes to financial statements.

NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Schedule of Operating Expense by Cost Object

Year ended March 31, 2008, with comparative figures for 2007

	Academic	Administration	Student Services	Plant and Property	Community Services	Employment Training Programs	Total 2008	Total 2007
Academic salaries	\$ 9,127,862	17,204	108,101	-	-	-	\$ 9,253,167	\$ 9,481,389
Administration salaries	599,689	913,233	69,886	36,040	24,551	169,275	1,812,674	1,801,806
Support salaries	1,679,768	1,518,798	1,171,308	675,216	655,180	1,251,140	6,951,410	6,388,038
Stipends and allowances	450,665	24,401	537,623	-	-	1,699,969	2,712,658	2,300,352
Fringe benefits	1,954,520	538,686	306,721	144,712	139,073	329,602	3,413,314	3,160,211
Instructional supplies	1,172,205	11,252	99,254	-	12,593	5,342	1,300,646	1,458,631
Field work	29,607	-	-	-	49,952	-	79,559	82,453
Staff employment	-	44,088	-	-	-	-	44,088	20,969
Professional development	516	237,611	-	-	-	7,301	245,428	272,817
Travel	304,601	94,775	156,937	810	3,475	40,004	600,602	673,790
Promotion and advertising	70,770	9,174	306,175	-	-	16,005	402,124	399,371
Equipment maintenance	66,757	50,932	262	19,440	-	48,736	186,127	124,720
Telecommunications	33,433	193,241	3,035	276	1,396	32,005	263,386	260,774
Office supplies	125,239	356,159	113,748	1,135	329	23,015	619,625	485,550
Janitorial	-	20,254	-	56,993	17,606	-	94,853	63,804
Facilities maintenance	-	-	-	693,085	-	-	693,085	440,967
Vehicle	-	-	-	14,700	-	-	14,700	18,017
Insurance	-	172,739	-	-	-	-	172,739	217,384
Interest	30,148	30,302	-	29,273	-	-	89,723	68,966
Professional fees	41,728	135,716	22,273	-	-	11,866	211,583	355,754
Contracted services	803,465	146,846	-	256,841	-	3,000	1,210,152	1,279,674
Utilities	-	-	-	1,010,263	-	-	1,010,263	930,575
Municipal taxation	-	-	-	97,258	-	-	97,258	94,905
Rentals	631,633	88,191	38,846	(112,483)	90,000	134,595	870,782	1,110,435
	\$ 17,122,606	4,603,602	2,934,169	2,923,559	994,155	3,771,855	32,349,946	31,491,352
Ancillary expense							1,671,791	1,471,926
Total expense							\$ 34,021,737	\$ 32,963,278

See accompanying notes to financial statements.

NORTHERN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Schedule of Ancillary Revenue and Expenses

Year ended March 31, 2008, with comparative figures for 2007

	2008	2007
Bookstore Operations		
Revenue	\$ 100,983	\$ 93,340
Operating expense	(3,471)	1,310
Excess of revenue over expense	\$ 97,512	\$ 92,030
Student Residence Operations		
Revenue:		
Rent	\$ 347,809	\$ 347,624
Service charges	15,011	17,442
	<u>362,820</u>	<u>365,066</u>
Expense:		
Operating	259,687	275,480
Interest	407,056	407,056
	<u>666,743</u>	<u>682,536</u>
Deficiency of revenue over expense	\$ (303,923)	\$ (317,470)
Parking Grounds Operations		
Revenue	\$ 63,671	\$ 51,766
Operating expense	114,588	53,037
Deficiency of revenue over expense	\$ (50,917)	\$ (1,271)
Ancillary Facilities Operations		
Revenue	\$ 1,084,210	\$ 865,381
Operating expense	893,931	735,043
Excess of revenue over expense	\$ 190,279	\$ 130,338

See accompanying notes to financial statements.