

Financial Statements of

**THE ALGONQUIN COLLEGE OF
APPLIED ARTS AND TECHNOLOGY**

Year ended March 31, 2000

THE ALGONQUIN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Financial Statements and Supplementary Schedules

Year ended March 31, 2000, with comparative figures for 1999

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KPMG LLP
Chartered Accountants
Suite 1000
45 O'Connor Street
Ottawa ON K1P 1A4
Canada

Telephone (613) 560-0011
Telefax (613) 560-2896
www.kpmg.ca

AUDITORS' REPORT TO THE BOARD OF GOVERNORS OF THE ALGONQUIN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

We have audited the statement of financial position of The Algonquin College of Applied Arts and Technology as at March 31, 2000 and the statements of operations, changes in net assets and cash flows for the year then ended. 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.

As set out in note 2(b), the College has not accrued vacation entitlements in the accounts. To this extent, the statements are not in accordance with Canadian generally accepted accounting principles. The effect of this departure from Canadian generally accepted accounting principles is set out in note 2(b).

In our opinion, except for the failure to record accrued vacation entitlements as set out above and in note 2(b), these financial statements present fairly, in all material respects, the financial position of the College as at March 31, 2000 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements of the College taken as a whole. The supplementary information included in Schedules "A" to "H" is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

"KPMG LLP"

Chartered Accountants

Ottawa, Canada

June 2, 2000

THE ALGONQUIN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Statement of Financial Position

March 31, 2000, with comparative figures for 1999

	2000	1999
Assets		
Current assets:		
Cash	\$10,051,066	\$ 3,235,468
Accounts receivable	6,967,791	8,751,741
Inventory (note 3)	1,153,475	1,107,095
Prepaid expenses	269,382	306,705
	<u>18,441,714</u>	<u>13,401,009</u>
Loan receivable (note 4)	1,196,950	1,368,520
Investments (note 5)	1,183,302	884,002
Capital assets (note 6)	61,420,437	50,522,978
	<u>\$82,242,403</u>	<u>\$66,176,509</u>
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 8,032,688	\$ 8,465,944
Accrued salaries and employee deductions payable	1,079,111	3,731,649
Deferred revenue (note 7(a))	8,601,965	6,111,140
Current portion of long-term debt (note 8)	570,000	1,270,000
	<u>18,283,764</u>	<u>19,578,733</u>
Long-term debt (note 8)	8,778,681	1,960,000
Long-term deferred revenue (note 7(b))	5,922,883	1,316,103
Deferred capital contributions (note 9)	33,003,631	31,524,485
Net assets:		
Unrestricted	(5,896,290)	(6,026,129)
Investment in capital assets (note 10(a))	19,068,125	15,768,493
Internally restricted (note 11)	1,848,307	1,098,372
Endowments (note 12)	1,233,302	956,452
	<u>16,253,444</u>	<u>11,797,188</u>
Commitments (note 15)		
Contingencies (note 16)		
	<u>\$82,242,403</u>	<u>\$66,176,509</u>

See accompanying notes to financial statements.

On behalf of the Board of Governors:

_____ Chairman

_____ Member

THE ALGONQUIN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Statement of Operations

Year ended March 31, 2000, with comparative figures for 1999

	2000	1999
Revenue (schedule A):		
Grants and reimbursements	\$58,305,757	\$56,528,234
Student tuition fees	40,327,073	33,476,861
Contract educational services	12,568,746	12,585,194
Ancillary operations (schedule H)	17,165,972	15,083,323
Other	11,064,219	7,799,694
	<u>139,431,767</u>	<u>125,473,306</u>
Expenditures:		
Operating:		
Academic (schedule B)	70,159,796	63,964,490
Educational resources (schedule C)	1,727,878	1,706,901
Student services (schedule D)	14,042,059	11,786,310
Administrative (schedule E)	10,412,272	9,622,945
Plant (schedule F)	11,935,341	10,070,166
Special projects (schedule G)	4,469,023	1,717,403
Ancillary operations (schedule H)	14,938,711	13,283,389
	<u>127,685,080</u>	<u>112,151,604</u>
Voluntary separation	689,089	679,724
Amortization and write-off of capital assets	6,878,192	6,268,694
	<u>135,252,361</u>	<u>119,100,022</u>
Excess of revenue over expenditures	<u>\$ 4,179,406</u>	<u>\$ 6,373,284</u>

See accompanying notes to financial statements.

THE ALGONQUIN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Statement of Changes in Net Assets

Year ended March 31, 2000, with comparative figures for 1999

	Unrestricted	Investment in capital assets (note 10(a))	Internally restricted (note 11)	Endowment (note 12)	Total 2000	Total 1999
Net assets, beginning of year	\$ (6,026,129)	\$ 15,768,493	\$ 1,098,372	\$ 956,452	\$ 11,797,188	\$ 5,255,495
Excess of revenue over expenditures	4,179,406	—	—	—	4,179,406	6,373,284
Internally imposed restrictions	(749,935)	—	749,935	—	—	—
Net change in investment in capital assets (note 10(b))	(3,299,632)	3,299,632	—	—	—	—
Endowment contributions and investment income	—	—	—	276,850	276,850	168,409
Net assets, end of year	\$ (5,896,290)	\$ 19,068,125	\$ 1,848,307	\$ 1,233,302	\$ 16,253,444	\$ 11,797,188

See accompanying notes to financial statements.

THE ALGONQUIN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Statement of Cash Flows

Year ended March 31, 2000, with comparative figures for 1999

	2000	1999
Cash provided by (used for):		
Operations:		
Excess of revenue over expenditures	\$ 4,179,406	\$ 6,373,284
Items which do not involve cash:		
Amortization of capital assets	6,744,151	5,980,676
Amortization of deferred capital contributions	(2,858,003)	(2,867,440)
Write-off of capital assets	134,041	288,018
Change in non-cash working capital (note 17)	1,179,924	(3,463,719)
	<u>9,379,519</u>	<u>6,310,819</u>
Financing:		
Increase (decrease) in long-term debt	6,118,681	(895,000)
Change in long-term deferred revenue	4,606,780	1,316,103
	<u>10,725,461</u>	<u>421,103</u>
Investments:		
Decrease in loan receivable	171,570	237,012
Increase in investments	(299,300)	(193,111)
Capital asset additions (note 10)	(17,775,651)	(5,950,323)
Capital contributions received (note 9)	4,337,149	588,078
Endowment contributions and investment income	276,850	168,409
	<u>(13,289,382)</u>	<u>(5,149,935)</u>
Increase in cash and cash equivalents	6,815,598	1,581,987
Cash and cash equivalents, beginning of year	3,235,468	1,653,481
Cash and cash equivalents, end of year	<u>\$10,051,066</u>	<u>\$ 3,235,468</u>

The College considers cash and cash equivalents to be highly liquid investments with original maturities of three months or less.

See accompanying notes to financial statements.

THE ALGONQUIN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements

Year ended March 31, 2000

1. Description:

The Algonquin College of Applied Arts and Technology was incorporated as a College in 1966 under the laws of the Province of Ontario. The College is dedicated to providing post-secondary education.

The College is a registered charity and therefore is, under Section 149 of the Income Tax Act, exempt from payment of income tax.

The financial statements reflect the assets, liabilities, net assets, revenue, expenses and other transactions of all of the operations and organizations controlled by the College. Accordingly, these financial statements include the academic, administrative and other operating expenditures funded by fees, grants and other general revenue; restricted purpose endowment funds, and the ancillary operations, such as food services, bookstores and the Early Learning Centre.

The College has an economic interest in the Algonquin College Foundation. The Foundation was incorporated without share capital on December 4, 1995 under the Ontario Corporations Act. The results and operations of the Foundation are not included in these financial statements. The objectives of the Foundation are to solicit, receive, manage and distribute money and other property to support education at the College. The Foundation had no activity in fiscal 1999/2000.

2. Significant accounting policies:

(a) General:

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles with the exception of vacation entitlements described below.

(b) Vacation entitlements:

Vacation entitlements are recorded as salary expense upon payment rather than in accordance with the accrual basis as recommended by the Canadian Institute of Chartered Accountants. Most vacation is earned by the employees of the College by March 31, the year end of the College, and is taken in the June to August time frame. As a result, the unrecorded liability for vacation pay at March 31 is close to the maximum.

If vacation entitlements had been recorded in accordance with accrual accounting standards, liabilities would have increased and unrestricted net assets would have decreased by \$6,354,768 (1999 - \$6,059,000) in the statement of financial position. Expenditures for the year would have been increased by \$295,322 (1999 - \$145,000 decrease) in the statement of operations.

THE ALGONQUIN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements, continued

Year ended March 31, 2000

2. Significant accounting policies (continued):

(c) Accumulated sick leave:

Cost of employee absences are recorded as salary expenditures in the year in which they occur. The College is liable to pay 50% of an academic employee's accumulated sick leave credit up to a maximum of six months salary. Sick leave credit relating to administrative and support staff, which does not accumulate, is drawn down in accordance with the payout provisions noted above. The Ministry of Education and Training provides a grant to fund such expenditures as they are required which amounted to \$800,765 in 2000 (1999 - \$571,129). Because these amounts are fully funded by the Ministry, the total estimated amount of vested sick leave benefits payable to employees of \$6,139,270 (1999 - \$6,061,547) and the corresponding receivable amount from the Ministry are not recorded in these financial statements.

(d) Inventory:

Inventory is valued at the lower of cost and net realizable value. Cost is determined on a first-in, first-out basis.

(e) Investments:

Investments are recorded at cost except for investments donated to the College which are recorded at fair market value at the date of acquisition. Gains or losses on the sale of investments are recognized in the year of disposal.

(f) Capital assets:

Capital assets in excess of \$1,000 are recorded at cost with the following exceptions:

- (i) Furniture and library holdings are charged to expenditure in the year of acquisition.
- (ii) Computer software is charged to expenditure in the year of acquisition.
- (iii) Land originally acquired at the Woodroffe and Rideau campuses is recorded at a nominal value of \$1 with subsequent additions at cost.

Donated capital assets are recorded at the value of the receipt issued to the donor, which reflects estimated fair market value of the equipment at the time of the donation.

Amortization is provided on a straight-line basis over the estimated useful lives as follows:

Asset	Useful life
Buildings	25 years
Site improvements	10 years
Parking lots	10 years
Equipment	5 years
Automotive equipment	5 years
Computers	4 years
Leasehold improvements	Over term of lease

THE ALGONQUIN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements, continued

Year ended March 31, 2000

2. Significant accounting policies (continued):

(g) Deferred capital contributions:

Contributions received for capital assets are deferred and amortized over the same term and on the same basis as the related capital asset.

(h) Revenue:

(i) Grants and donations are recorded using the deferral method of accounting for contributions. Unrestricted contributions are recognized as revenue when received or receivable. Contributions externally restricted for purposes other than endowment are deferred and recognized as revenue in the period in which the related expenses are recognized. Endowment contributions are recognized as direct increases in net assets in the period in which they are received.

(ii) Tuition fees are recorded in the accounts based on the academic period of the specific courses. Tuition fees are deferred to the extent that the courses extend beyond the fiscal year of the College.

(iii) Contract education and other revenues are recorded in the accounts based on the services provided or goods sold in the College's fiscal year.

(iv) Restricted investment income is recognized as revenue in the year that the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

(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) Contributed services:

Volunteers, as well as members of the staff and faculty of the College, contribute an indeterminable number of hours per year to assist the College in carrying out its service delivery activities. Because of the difficulty of determining their fair value, contributed services are not recognized in these financial statements.

(k) 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 period. Actual results could differ from those estimates.

THE ALGONQUIN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements, continued

Year ended March 31, 2000

3. Inventory:

	2000	1999
Bookstore	\$ 985,265	\$ 753,218
Food services	125,006	131,122
Stationery and supplies	25,000	197,731
Publishing centre	18,204	25,024
	\$ 1,153,475	\$ 1,107,095

4. Loan receivable:

The loan receivable is with the Algonquin Student Association Inc. and bears interest at 6.13% calculated daily. Principal and interest payments equal to the amount generated from a student building fee will be made to the College each academic semester until the loan is paid off, which is anticipated to occur in 2003.

5. Investments:

Investments held by the College represent funds which have been permanently endowed. The carrying values and market values of the investments are as follows:

	Carrying value		Market value	
	2000	1999	2000	1999
GICs	\$ 184,140	\$ 247,058	\$ 184,140	\$ 247,058
Mutual funds	-	636,944	-	678,352
Stocks	999,162	-	977,486	-
	\$ 1,183,302	\$ 884,002	\$ 1,161,626	\$ 925,410

THE ALGONQUIN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements, continued

Year ended March 31, 2000

6. Capital assets:

	2000		1999	
	Cost	Accumulated depreciation	Net book value	Net book value
Land	\$ 1,002,294	\$ —	\$ 1,002,294	\$ 1,002,294
Buildings	84,122,244	51,268,540	32,853,704	35,236,400
Site improvements	1,787,780	438,150	1,349,630	1,528,408
Buildings work-in-progress	12,526,413	—	12,526,413	486,535
Parking lots	3,136,142	893,536	2,242,606	2,132,649
Equipment	34,453,637	23,419,067	11,034,570	9,969,560
Automotive equipment	327,689	279,367	48,322	45,072
Leasehold improvements	447,476	84,578	362,898	122,060
	\$ 137,803,675	\$ 76,383,238	\$ 61,420,437	\$ 50,522,978

Cost and accumulated depreciation at March 31, 1999 amounted to \$123,920,330 and \$73,397,352 respectively.

7. Deferred revenue:

(a) Details of the year-end balance are as follows:

	2000	1999
Student tuition fees	\$ 6,456,020	\$ 5,082,489
Grants and reimbursements	844,337	233,819
Contract education services	430,127	397,052
Miscellaneous projects	686,544	252,227
Student aid	112,924	107,757
Ancillary operations	72,013	37,796
	\$ 8,601,965	\$ 6,111,140

Student tuition fees are for academic courses which extend beyond the fiscal year of the College.

Grants and reimbursements are the unexpended restricted grants to be spent on specific items in future years.

Contract education services represent prepayments for courses to be held in subsequent years.

Miscellaneous projects include contributions, deposits and prepayments related to small, miscellaneous activities of the College.

THE ALGONQUIN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements, continued

Year ended March 31, 2000

7. Deferred revenue (continued):

Student aid represents the unexpended donations and interest to be spent on student scholarships and bursaries.

Ancillary operations represent amounts received by the ancillary operations of the College for services to be provided in subsequent years.

- (b) Long-term deferred revenue represents funds received from the Ministry for capital projects under the Access to Opportunities Program. Management expects to use these funds to finance the construction of a new advanced technology centre.

8. Long-term debt:

- (b) In prior years, the College entered into long-term debt agreements to finance the construction of the student centre and the renovations to the parking facilities. The remaining amount on these loans is \$1,000,000 and \$960,000 respectively.

- (c) The College has also entered into banker's acceptances totalling \$7,388,681 relating to the construction of the new student residence and justice facility. Under the terms of the financing agreement, the College will transfer the amount of the banker's acceptance into a long-term financing arrangement effective October 1, 2000.

	2000	1999
Term loan, bearing interest at 5.58%	\$ 960,000	\$ 1,280,000
Term loan, bearing interest at 6.13%	1,000,000	1,250,000
Banker's acceptance	7,388,681	700,000
	9,348,681	3,230,000
Less current portion	570,000	1,270,000
	\$ 8,778,681	\$ 1,960,000

Interest is payable on a monthly basis. The principal of the term loans is payable in lump-sum amounts as follows:

2000	\$ 570,000
2001	570,000
2002	570,000
2003	250,000

\$ 1,960,000

THE ALGONQUIN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements, continued

Year ended March 31, 2000

9. Deferred capital contributions:

Deferred capital contributions represent the unamortized amount of donations and grants received for the purchase of capital assets. The amortization of the deferred capital contributions is recorded as revenue in the statement of operations. The changes in the deferred capital contributions balance are as follows:

	2000	1999
Balance, beginning of year	\$ 31,524,485	\$ 33,803,847
Less amortization of deferred capital contributions	(2,858,003)	(2,867,440)
Add capital contributions received:		
Donated equipment	263,152	193,895
Government grants	4,073,997	394,183
Balance, end of year	\$ 33,003,631	\$ 31,524,485

10. Investment in capital assets:

(a) The investment in capital assets consists of the following:

	2000	1999
Capital assets	\$ 61,420,437	\$ 50,522,978
Less amounts financed by:		
Deferred contributions	(33,003,631)	(31,524,485)
Long-term debt	(9,348,681)	(3,230,000)
	\$ 19,068,125	\$ 15,768,493

(b) The net change in investment in capital assets is calculated as follows:

Capital asset additions:		
Total additions	\$ 17,775,651	\$ 5,950,323
Less:		
Donated equipment	(263,152)	(193,895)
Capital asset purchases financed with grants	(4,073,997)	(394,183)
Capital asset purchases financed with College funds	13,438,502	5,362,245
External financing:		
Decrease (increase) in long-term debt	(6,118,681)	895,000
Amortization of deferred capital contributions	2,858,003	2,867,440
Amortization of capital assets	(6,744,151)	(5,980,676)
Write-off of capital assets	(134,041)	(288,018)
Net change in investment in capital assets	\$ 3,299,632	\$ 2,855,991

THE ALGONQUIN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements, continued

Year ended March 31, 2000

11. Internally restricted net assets:

	Balance, beginning of year	Change in year	Balance, end of year
Employment Stabilization Funds	\$ 375,886	\$ 43,254	\$ 419,140
Student Institutional Aid	319,363	(28,261)	291,102
Other Student Aid	1,995	70	2,065
Parking	401,128	(401,128)	—
Appropriations	—	1,136,000	1,136,000
	<u>\$ 1,098,372</u>	<u>\$ 749,935</u>	<u>\$ 1,848,307</u>

Internally restricted net assets are funds committed for specific purposes which reflect the application of College policy as follows:

- (a) Employment Stabilization Funds represent funds committed by the College for retraining and counselling for employees upon separation from the College. The College's annual commitment is based on a formula prescribed by the collective agreements. Expenditures from this fund are approved by the respective employee union and College management.
- (b) Student Institutional Aid consists of funds available for student assistance. Each fiscal year, the College appropriates 30% of the additional fee revenue resulting from any tuition fee increase for student financial assistance.
- (c) Other Student Aid represents the unspent portion of unrestricted endowment fund income and other unrestricted contributions which have been designated for scholarships and bursaries by the College.
- (d) Parking represented a portion of the surplus of the parking operations which had been set aside to cover future expenditures anticipated under the approved Parking Plan. During the year, these expenditures were incurred.
- (e) Appropriations represent current year budget allocations primarily relating to capital projects which were unable to be completed during the 1999/2000 fiscal year.

THE ALGONQUIN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements, continued

Year ended March 31, 2000

12. Endowments:

Contributions restricted for endowment consist of monies received primarily as benefactions and which either the donor or the Board of Governors has designated as endowment. The annual income earned from funds designated as endowment by the donor may be expended only for the purpose designated. If no purpose is designated by the donor then the income is expended at the direction of the Board.

	Externally endowed	Board - designated	Total 2000	Total 1999
Investment income	\$ 1,894	\$ 142	\$ 2,036	\$ 42,199
Less: Investment income distributed from endowment	1,894	142	2,036	42,199
	-	-	-	-
Withdrawal	-	-	-	(4,000)
Donations and bequests	268,700	8,150	276,850	172,409
Net change in year	268,700	8,150	276,850	168,409
Fund balance, beginning of year	816,896	139,556	956,452	788,043
Fund balance, end of year	\$ 1,085,596	\$ 147,706	\$ 1,233,302	\$ 956,452

13. Pension plans:

Full-time employees of the College are participants in The College of Applied Arts and Technology Pension Plan. The College's contributions to this plan are based on the participant contributions and are calculated according to matching formulae. Charges to expenditure for these plans amount to \$3,300,745 in 2000 and \$3,243,000 in 1999.

14. Financial instruments:

(a) 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 mostly with creditworthy counterparties such as government agencies and public companies. The College also enforces approved collection policies for student accounts. The largest credit exposure to a single institution at March 31, 2000 was \$1,196,950 (1999 - \$1,368,520) with the Algonquin Students Association Inc. This amount will be received by the College through the collection of the student building fee levied by the Association.

THE ALGONQUIN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements, continued

Year ended March 31, 2000

14. Financial instruments (continued):

(b) Fair values:

The carrying values of cash, accounts receivable, accounts payable and accrued liabilities and accrued salaries and employee deductions payable approximate their fair value due to the relatively short periods to maturity of the instruments.

The carrying values of the term loans and banker's acceptance approximate their fair value because the interest rate approximates the market rate for these instruments.

It is not practicable to determine the fair value of the loan receivable because the repayment terms are based on future events.

15. Commitments:

(a) The College has committed to make the following future minimum payments under various equipment operating and premises rental leases:

2001	\$ 574,559
2002	529,311
2003	514,443
2004	471,204
2005 and thereafter	236,931

\$ 2,326,448

(b) Interest rate derivatives:

The College has entered into interest rate derivative agreements to manage the volatility of interest rates which become effective in the 2001 fiscal year. The College converted a net notional \$18,000,000 of floating rate debt for fixed rate debt between 6.6% and 6.95%. The debt will mature in 2025.

(c) Construction commitments:

The College has entered into two separate agreements for the construction of the residence and justice facility due to be completed in fiscal year 2000/2001. The total construction cost of the justice facility is expected to be \$15,000,000, of which \$8,100,000 has been incurred. The total construction cost of the residence is expected to be \$13,000,000, of which \$4,400,000 has been incurred.

THE ALGONQUIN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements, continued

Year ended March 31, 2000

16. Contingencies:

The College is involved with pending litigation and claims which arose in the normal course of operations. In the opinion of the administration, any liability that may arise from such contingencies would not have a significant adverse effect on the financial statements of the College. Losses, if any, arising from these matters will be accounted for in the year in which they are resolved.

17. Change in non-cash working capital:

	2000	1999
Decrease (increase) in accounts receivable	\$ 1,783,950	\$ (5,602,172)
Increase in inventory	(46,380)	(128,781)
Decrease in prepaid expenses	37,323	106,707
Increase (decrease) in accounts payable and accrued liabilities	(433,256)	711,431
Increase (decrease) in accrued salaries and employee deductions payable	(2,652,538)	667,919
Increase in deferred revenue	2,490,825	781,177
	\$ 1,179,924	\$ (3,463,719)

18. Senior management salaries:

Under the Public Sector Salary Disclosure Act, 1996, the College is required to disclose the name, position, salary and taxable benefits of each employee with an annual salary of \$100,000 or more.

For the calendar year ending December 31, 1999, the individuals who met the requirements for disclosure were:

Employee	Position	Salary	Taxable benefits
W. Conrod	VP Development	\$ 103,428	\$ 5,376
R. Gillett	President	147,293	11,311
J. Hamilton	VP Finance & Administration	113,891	5,434
R. Hanson	VP Academic	117,512	5,455
R. Reid	Director Hospitality & Tourism	102,559	491
C. Warburton	VP Student Life & Human Resources	102,231	5,364

THE ALGONQUIN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements, continued

Year ended March 31, 2000

19. Ontario Student Opportunity Trust Fund:

The externally restricted endowments include monies provided by the Government of Ontario from the Ontario Student Opportunity Trust Fund matching program to award student aid as a result of raising an equal amount of endowed donations.

The College has recorded the following amounts under the program:

	2000	1999
Opening balance	\$ 708,794	\$ 563,894
Donations received	138,000	72,450
Matching funds:		
Received from Government of Ontario	108,000	-
Receivable from Government of Ontario	30,000	72,450
	<u>\$ 984,794</u>	<u>\$ 708,794</u>
Expendable funds available for awards, beginning of year	\$ 26,905	\$ 11,629
Investment income	827	16,108
Awards issued	(2,179)	(832)
Expendable funds available for awards in future years	<u>\$ 25,553</u>	<u>\$ 26,905</u>

20. Comparative figures:

Certain of the 1999 comparative figures have been reclassified to conform with the financial statement presentation adopted in 2000.

THE ALGONQUIN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Revenue

Schedule A

Year ended March 31, 2000, with comparative figures for 1999

	2000	1999
Grants and reimbursements:		
Provincially financed programs:		
Activity grants	\$ 53,673,499	\$ 51,493,398
Special bursaries	1,141,244	1,241,469
Premise rental	199,942	96,216
	55,014,685	52,831,083
Flat-rate funding programs:		
Apprentice	3,291,072	3,697,151
	58,305,757	56,528,234
Student tuition fees:		
Post secondary:		
Full-time	20,024,820	17,802,085
Full-time Fast Track	7,007,311	4,238,485
Part-time	10,715,480	9,280,051
Adult training	975,047	1,045,536
Student IT fee	1,604,415	1,110,704
	40,327,073	33,476,861
Contract educational services:		
Provincially funded programs	6,973,235	6,515,823
International programs	460,157	195,238
Other	5,135,354	5,874,133
	12,568,746	12,585,194
Ancillary operations (schedule H)	17,165,972	15,083,323
Other:		
Software donation	3,430,424	902,478
Amortization of deferred capital contributions (note 9)	2,858,003	2,867,440
Miscellaneous	4,775,792	4,029,776
Total operating revenue	\$ 139,431,767	\$ 125,473,306

THE ALGONQUIN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Academic Expenditure

Schedule B

Year ended March 31, 2000, with comparative figures for 1999

	2000	1999
Salaries:		
Administration	\$ 3,840,460	\$ 3,325,118
Faculty	39,832,565	35,978,673
Support staff	6,120,182	5,807,751
Fringe benefits	6,963,470	6,662,743
Job Connect stipends and fringe benefits	3,590,031	3,346,854
Travel and professional development	998,935	755,740
Instructional supplies and software	5,037,007	4,469,791
Equipment maintenance and rental	1,480,554	1,609,927
Contract services	2,296,592	2,007,893
	\$ 70,159,796	\$ 63,964,490

Educational Resources Expenditure

Schedule C

Year ended March 31, 2000, with comparative figures for 1999

	2000	1999
Salaries	\$ 1,106,181	\$ 1,099,724
Fringe benefits	197,603	204,773
Library resource material	296,056	313,725
Office expense, supplies and maintenance	128,038	88,679
	\$ 1,727,878	\$ 1,706,901

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Student Services Expenditure

Schedule D

Year ended March 31, 2000, with comparative figures for 1999

	2000	1999
Salaries	\$ 5,538,959	\$ 5,127,280
Fringe benefits	908,865	864,902
Media advertising, public relations and calendar	2,779,219	1,963,093
Travel and conferences	143,468	111,608
Office expense and supplies	838,129	726,406
Contract services	620,450	470,781
Insurance – international students	106,821	73,150
Student aid	1,946,899	1,204,621
Student bursaries	1,159,249	1,244,469
	\$ 14,042,059	\$ 11,786,310

Administrative Expenditure

Schedule E

Year ended March 31, 2000, with comparative figures for 1999

	2000	1999
Salaries	\$ 5,409,882	\$ 4,534,560
Fringe benefits	946,394	855,032
Travel and conferences	192,825	129,582
Office expense and supplies	953,518	306,484
Telephone	1,013,935	752,236
Professional fees	253,446	895,971
Equipment maintenance and rental	972,021	1,254,329
Contract services	543,037	849,954
Interest on long-term debt	127,214	44,797
	\$ 10,412,272	\$ 9,622,945

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Plant Expenditure

Schedule F

Year ended March 31, 2000, with comparative figures for 1999

	2000	1999
Salaries	\$ 2,899,949	\$ 2,834,145
Fringe benefits	524,336	555,045
Cleaning, security and other services	1,693,559	1,033,383
Building and equipment - repairs and maintenance	3,107,750	2,315,378
Utilities and services	1,854,963	1,667,287
Municipal taxes	783,702	728,936
Insurance	139,955	154,621
Premise rental	654,125	513,117
Office expense and supplies	277,002	268,254
	\$ 11,935,341	\$ 10,070,166

Special Projects Expenditure

Schedule G

Year ended March 31, 2000, with comparative figures for 1999

	2000	1999
Salaries	\$ 54,653	\$ 34,678
Fringe benefits	21,220	9,154
Software expense	3,430,424	902,478
Sick leave termination benefits (note 2(c))	800,766	571,129
Office expense and supplies	77,889	112,873
Contract services	84,071	87,091
	\$ 4,469,023	\$ 1,717,403

THE ALGONQUIN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Ancillary Operations Summary

Schedule H

Year ended March 31, 2000, with comparative figures for 1999

	Revenue	Expense	2000 Contribution	1999 Contribution
Food Services	\$ 2,703,998	\$ 2,308,308	\$ 395,690	\$ 362,230
Bookstore	10,554,504	9,912,132	642,372	551,457
Early Learning Centre	613,849	636,150	(22,301)	2,959
Parking and Lockers	1,818,643	708,529	1,110,114	764,673
Publishing Centre	1,474,978	1,348,328	126,650	118,614
Ancillary Director's Office	–	25,264	(25,264)	–
Totals	\$17,165,972	\$14,938,711	\$ 2,227,261	\$ 1,799,933