

Financial Statements of

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

Year ended March 31, 2008

THE ALGONQUIN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Financial Statements and Supplementary Schedules

Year ended March 31, 2008

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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, 2008 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.

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.

A handwritten signature in black ink that reads 'KPMG LLP' with a horizontal line underneath.

Chartered Accountants, Licensed Public Accountants

Ottawa, Canada

May 28, 2008

THE ALGONQUIN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Statement of Financial Position

March 31, 2008, with comparative figures for 2007 and 2006

	2008	2007	2006
			(Restated - note 3)
Assets			
Current assets:			
Cash and short-term investments	\$ 52,345,166	\$ 34,693,477	\$ 29,827,011
Accounts receivable	15,643,669	11,162,625	8,646,784
Inventory (note 6)	2,040,474	1,692,111	1,662,288
Prepaid expenses	522,325	501,139	609,944
	70,551,634	48,049,352	40,746,027
Endowment assets (note 7)	9,162,697	7,543,976	5,830,245
Long-term receivable (note 23(b))	—	6,406,204	—
Capital assets (note 8)	136,322,285	137,368,363	144,662,303
	\$ 216,036,616	\$ 199,367,895	\$ 191,238,575
Liabilities and Net Assets			
Current liabilities:			
Accounts payable and accrued liabilities	\$ 9,978,427	\$ 8,131,082	\$ 7,904,339
Accrued salaries and employee deductions payable	4,513,917	3,734,063	2,854,651
Deferred revenue (note 9)	17,570,998	10,931,454	17,549,877
Current portion of obligations under capital leases (note 10)	128,149	274,081	421,133
Current portion of long-term debt (note 11)	1,437,552	1,347,599	1,263,290
	33,629,043	24,418,279	29,993,290
Obligations under capital leases (note 10)	50,592	178,741	452,832
Long-term debt (note 11)	50,339,745	51,777,296	53,124,897
Vacation, sick leave and post-employment benefits (note 16(c))	15,382,569	14,798,080	14,413,486
Deferred capital contributions (note 12)	60,114,045	60,727,332	68,685,808
Deferred contributions for building campaign (note 20)	320,758	196,909	88,697
Interest rate swaps (note 11(b))	9,859,452	8,669,685	8,548,572
Net assets (deficiency):			
Unrestricted	1,000,000	521,205	965,010
Investment in capital assets (note 13(a))	24,252,202	23,063,314	20,714,343
Vacation, sick leave and post-employment benefits (note 16(c))	(15,382,569)	(14,798,080)	(14,413,486)
Interest rate swaps (note 11(b))	(9,859,452)	(8,669,685)	(8,548,572)
Internally restricted (note 14)	37,167,534	30,940,843	11,383,453
Endowment fund (note 15)	9,162,697	7,543,976	5,830,245
	46,340,412	38,601,573	15,930,993
Commitments and guarantees (note 18)			
Contingencies (note 19)			
	\$ 216,036,616	\$ 199,367,895	\$ 191,238,575

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, 2008, with comparative figures for 2007 and 2006

	2008	2007	2006
Revenue (schedule A):			
Grants and reimbursements	\$ 96,095,230	\$ 91,082,379	\$ 80,813,103
Student tuition fees	51,649,016	48,575,610	46,174,685
Contract educational services	14,715,869	14,495,783	12,016,379
Ancillary operations (schedule H)	34,181,443	33,638,874	31,224,349
Other	12,902,691	14,444,457	11,091,063
Amortization of deferred capital contributions	5,631,524	5,553,623	5,553,799
	215,175,773	207,790,726	186,873,378
Expenditures:			
Operating:			
Academic (schedule B)	97,974,408	90,892,142	84,780,260
Educational resources (schedule C)	2,419,944	2,232,856	2,162,249
Student services (schedule D)	25,378,938	24,447,770	22,464,283
Administrative (schedule E)	17,973,261	17,157,418	14,968,491
Plant (schedule F)	20,660,644	15,625,002	14,030,291
Special projects (schedule G)	1,984,108	2,143,392	2,037,348
Ancillary operations (schedule H)	28,838,577	28,007,436	26,766,921
	195,229,880	180,506,016	167,209,843
Vacation, sick leave and post-employment benefits (note 16(b))	584,489	384,594	(2,249,359)
Amortization and write-off of capital assets	12,051,519	11,746,677	11,537,461
Total expenditures	207,865,888	192,637,287	176,497,945
Excess of revenue over expenditures from continuing operations	7,309,885	15,153,439	10,375,433
Gain on sale of Rideau Campus (note 23(a))	—	5,924,523	—
Excess of revenue over expenditures	\$ 7,309,885	\$ 21,077,962	\$ 10,375,433

See accompanying notes to financial statements.

THE ALGONQUIN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Statement of Changes in Net Assets

Year ended March 31, 2008, with comparative figures for 2007 and 2006

	Unrestricted	Investment in capital assets (note 13(a))	Vacation, sick leave and post employment benefits (note 16(c))	Interest rate swaps (note 11(b))	Internally restricted (note 14)	Endowment fund (note 15)	2008 Total	2007 Total	2006 Total
Net assets, beginning of year	\$ 521,205	\$23,063,314	\$(14,798,080)	\$(8,669,685)	\$30,940,843	\$ 7,543,976	\$38,601,573	\$15,930,993	\$11,974,827
Accounting changes – financial instruments (note 3)	–	–	–	–	–	–	–	–	(8,529,158)
Net assets, beginning of year, as restated	521,205	23,063,314	(14,798,080)	(8,669,685)	30,940,843	7,543,976	38,601,573	15,930,993	3,445,669
Excess of revenue over expenditures	7,309,885	–	–	–	–	–	7,309,885	21,077,962	10,375,433
Net change in vacation, sick leave and post-employment benefits (note 16(c))	584,489	–	(584,489)	–	–	–	–	–	–
Internally imposed restrictions	(6,226,691)	–	–	–	6,226,691	–	–	–	–
Net change in investment in capital assets (note 13(b))	(1,188,888)	1,188,888	–	–	–	–	–	–	–
Endowment contributions and investment income (note 15)	–	–	–	–	–	1,618,721	1,618,721	1,713,731	1,752,557
Change in fair value of interest rate swaps	–	–	–	(1,189,767)	–	–	(1,189,767)	(121,113)	357,334
Net assets, end of year	\$ 1,000,000	\$24,252,202	\$(15,382,569)	\$(9,859,452)	\$37,167,534	\$ 9,162,697	\$46,340,412	\$38,601,573	\$15,930,993

See accompanying notes to financial statements.

THE ALGONQUIN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Statement of Cash Flows

Year ended March 31, 2008, with comparative figures for 2007 and 2006

	2008	2007	2006
Cash provided by (used for):			
Operations:			
Excess of revenue over expenditures from continued operations	\$ 7,309,885	\$ 21,077,962	\$ 10,375,433
Items, which do not involve cash:			
Amortization of capital assets (note 8)	12,012,343	11,721,353	11,443,645
Write-off of capital assets (note 8)	39,176	25,324	93,816
Gain on sale of Rideau Campus (note 23)	—	(5,924,523)	—
Amortization of deferred capital contributions	(5,631,524)	(5,553,623)	(5,553,799)
Vacation, sick leave and post-employment (note 16(b))	584,489	384,594	(2,249,359)
Change in non-cash working capital (note 21)	4,416,150	(7,949,127)	8,689,003
	18,730,519	13,781,960	22,798,739
Financing:			
Decrease in long-term debt	(1,347,598)	(1,263,292)	(5,739,173)
Decrease in capital lease	(274,081)	(421,143)	(328,847)
	(1,621,679)	(1,684,435)	(6,068,020)
Investments:			
Net proceeds on sale of Rideau Campus (note 23)	—	6,518,889	—
Decrease (increase) in long-term receivable (note 23)	6,406,204	(6,406,204)	—
Capital asset additions (note 13(b))	(11,005,441)	(11,387,943)	(11,337,519)
Capital contributions received (note 12)	5,018,237	3,935,987	8,486,132
Increase in deferred contribution for building campaign	123,849	108,212	61,897
Increase in endowment assets	(1,618,721)	(1,713,731)	(2,129,305)
Increase in endowment fund (note 15)	1,618,721	1,713,731	2,129,305
	542,849	(7,231,059)	(2,789,490)
Increase in cash and short-term investments	17,651,689	4,866,466	13,941,229
Cash and short-term investments, beginning of year	34,693,477	29,827,011	15,885,782
Cash and short-term investments, end of year	\$ 52,345,166	\$ 34,693,477	\$ 29,827,011
Consisting of:			
Cash	\$ 17,977,861	\$ 7,337,793	\$ 8,064,163
Short-term investments	34,367,305	27,355,684	21,762,848
Cash and short-term investments, end of year	\$ 52,345,166	\$ 34,693,477	\$ 29,827,011

See accompanying notes to financial statements.

THE ALGONQUIN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements

Year ended March 31, 2008

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, expenditures 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 of the College.

2. Significant accounting policies:

(a) General:

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles.

(b) Inventory:

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

(c) Investments:

(i) Short-term investments:

Short-term investments are designated as held to maturity and are measured at amortized cost using the effective interest method. Purchases of short-term investments are recorded on the settlement date.

(ii) Endowed investments:

Endowed investments are designated as available for sale and are recorded at fair value. Realized investment income and unrealized gains or losses from the change in fair value are recorded in the statement of changes in net assets. Fair value is determined at quoted market prices. Sales and purchases of endowed investments are recorded on the settlement date. Transaction costs related to the acquisition of endowed investments are recorded against the realized investment income of the endowment fund.

THE ALGONQUIN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements (continued)

Year ended March 31, 2008

2. Significant accounting policies (continued):

(d) Capital assets:

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

- (i) Academic furniture and library holdings are charged to expenditures in the year of acquisition.
- (ii) Computer software is charged to expenditures in the year of acquisition.
- (iii) Land originally acquired at the Woodroffe campus 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 value of the capital asset at the time of the donation.

Construction in progress is not amortized until the project is complete and the facilities come into use.

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

Asset	Useful life
Buildings	40 years
Site improvements	10 years
Parking lots	10 years
Equipment	5 years
Laptop/desktop computers	48 months
Automotive equipment	5 years
ITS infrastructure	5 years
Residence furniture and appliances	5 years
Equipment under capital lease	Over term of lease

(e) 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.

(f) 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 expenditures are recognized. Endowment contributions are recognized as direct increases in net assets in the period in which they are received.
- (ii) Student 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.

THE ALGONQUIN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements (continued)

Year ended March 31, 2008

2. Significant accounting policies (continued):

(f) Revenue (continued):

(iii) Contract educational services are recorded in the accounts based on the services provided in the College's fiscal year on a percentage of completion basis.

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

(g) Student organizations:

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

(h) Contributed services:

Volunteers 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.

(i) Leases:

Leases are classified as either capital or operating in nature. Capital leases are those which substantially transfer the benefits and risks of ownership to the College. Assets acquired under capital leases are amortized at the same rates as those described in note 2(d). Obligations recorded under capital leases are reduced by the principal portion of lease payments. The imputed interest portion of lease payments is charged to expense.

(j) Employee benefit plans:

The College accrues its obligations for employee benefit plans. The cost of non-pension post-retirement and post-employment benefits earned by employees is actuarially determined using the projected benefit method pro-rated on service and management's best estimate of retirement ages of employees and expected health care costs.

(k) Interest rate swaps:

The College is party to interest rate swap agreements used to manage the exposure to market risks from changing interest rates. The College's policy is not to utilize derivative financial instruments for trading or speculative purposes.

The College formally documents all relationships between hedging instruments and hedged items, as well as its risk management objectives and strategies for undertaking various hedge transactions. This process includes linking the interest rate swaps to specific long-term debt on the statement of financial position. The College also formally assesses, both at the hedge's inception and on an on-going basis, whether the interest rate swaps that are used in hedging transactions are highly effective in offsetting changes in cash flows of the hedged items.

THE ALGONQUIN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements (continued)

Year ended March 31, 2008

2. Significant accounting policies (continued):

(k) Interest rate swaps (continued):

For the interest rate swap agreements, the difference between the swap interest rate and the actual interest rate on the long-term debt is recognized as an adjustment to interest expense on long-term debt.

(j) 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 revenue and expenditures during the period. Actual results could differ from these estimates. These estimates are reviewed annually and as adjustments become necessary, they are recorded in the financial statements in the period in which they become known.

3. Accounting changes - financial instruments:

In 2005, the Canadian Institute of Chartered Accountants released *Handbook Section 3855, Financial Instruments - Recognition and Measurement*, and *Section 3865 Hedges*. These new standards changed the way certain financial assets and liabilities are accounted for and reported in the financial statements.

The College elected to adopt these Sections prospectively effective April 1, 2005, in accordance with the transitional provisions of these Sections.

(a) Endowed investments:

The College has designated its endowed investments as available for sale and, as such, these investments are recorded at fair value. Prior to fiscal 2006, endowed investments were recorded at cost and realized gains and losses were recognized in the year of disposal.

As a result of adopting these Sections, the opening balance of the endowment fund in fiscal 2006 has been increased by \$376,748 to \$4,077,688 to reflect the prior year's net appreciation of the fair value of endowed investments.

THE ALGONQUIN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements (continued)

Year ended March 31, 2008

3. Accounting changes - financial instruments (continued):

(b) Interest rate swaps:

In its implementation of the aforementioned Handbook Sections, the College did not record the fair value of its interest rate swaps on the statement of financial position and statement of changes in net assets in the 2006 financial statements. The 2006 comparative figures have been restated to reflect the fair value of the interest rate swaps. Fair value is determined as the payment required to cancel the interest rate swaps as at March 31. The effect of this restatement is to decrease opening net assets by \$8,905,906, and to increase long-term liabilities and decrease ending net assets by \$8,548,572 in fiscal 2006. The terms of the interest rate swaps are disclosed in note 11(b).

4. Adoption of new accounting standards:

Effective October 1, 2006, the College adopted the revised CICA Handbook Section 1506 "Accounting Changes" relating to changes in accounting policies, changes in accounting estimates and errors. Adoption of these recommendations had no effect on the financial statements for the year ended March 31, 2008, except for the disclosure of accounting changes that have been issued by the CICA but have not yet been adopted by the College because they are not effective until a future date (refer to Future Accounting Standards (note 5)).

5. Future accounting standards:

The CICA issued three new accounting standards on December 31, 2006: Handbook Section 1535 "Capital Disclosures"; Handbook Section 3862 "Financial Instruments – Disclosures"; Handbook Section 3863 "Financial Instruments – Presentation". Section 1535 specifies the disclosures regarding how one entity manages its capital. The new Handbook Sections 3862 and 3863 replace Handbook Section 3860 "Financial Instruments - Disclosure and Presentation", revising and enhancing its disclosure requirements, and carrying forward unchanged its presentation requirements. These new sections place increased emphasis on disclosures about the nature and extent of risks arising from financial instruments and how the entity manages those risks.

In March 2007, the CICA approved Handbook Section 3031 "Inventories" which replaces the existing Handbook Section 3030 "Inventories". The standard provides more guidance on the measurement and disclosure requirements for inventories.

These standards are effective for the College's financial reporting period beginning on April 1, 2008.

The College is currently assessing the impact of these new accounting standards on its financial statements.

THE ALGONQUIN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements (continued)

Year ended March 31, 2008

6. Inventory:

	2008	2007	2006
Bookstore	\$ 1,680,713	\$ 1,471,626	\$ 1,436,104
Food services	191,476	183,225	183,664
Stationery and supplies	155,174	25,000	25,000
Publishing centre	13,111	12,260	17,520
	<u>\$ 2,040,474</u>	<u>\$ 1,692,111</u>	<u>\$ 1,662,288</u>

7. Endowment assets:

Endowment assets represent funds held or receivable by the College which have been permanently endowed. The carrying value of endowed investments is recorded at fair value.

The endowment assets consist of the following:

Fair value	2008	2007	2006
Receivable from Government of Ontario for Ontario Trust for Student Support matching funds (note 25(c))	\$ 848,196	\$ 610,442	\$ 423,576
Endowed investments:			
Fixed income and cash	3,389,875	2,958,131	2,274,815
Equities	4,924,626	3,975,403	3,131,854
	<u>\$ 9,162,697</u>	<u>\$ 7,543,976</u>	<u>\$ 5,830,245</u>

Cost	2008	2007	2006
Receivable from Government of Ontario for Ontario Trust for Student Support matching funds (note 25(c))	\$ 848,196	\$ 610,442	\$ 423,576
Endowed investments:			
Fixed income and cash	3,832,769	2,927,241	2,257,706
Equities	4,680,965	3,043,599	2,455,325
	<u>\$ 9,361,930</u>	<u>\$ 6,581,282</u>	<u>\$ 5,136,607</u>

THE ALGONQUIN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements (continued)

Year ended March 31, 2008

8. Capital assets:

			2008	2007	2006
	Cost	Accumulated amortization	Net book value	Net book value	Net book value
Land	\$ 4,370,097	\$ —	\$ 4,370,097	\$ 4,370,097	\$ 4,370,097
Buildings	154,437,675	48,364,997	106,072,678	107,852,197	115,083,429
Site improvements	15,570,753	5,652,022	9,918,731	8,435,643	7,210,546
Parking lots	3,818,720	2,886,860	931,860	1,261,222	1,643,094
Computers and equipment	52,892,494	38,738,492	14,154,002	14,472,989	14,576,923
Automotive equipment	314,945	233,699	81,246	47,416	68,347
ITS infrastructure	1,352,490	1,327,531	24,959	85,960	170,955
Residence furniture and appliances	1,985,289	1,943,773	41,516	141,156	300,954
Equipment under capital lease	1,934,612	1,749,214	185,398	506,634	892,896
Construction-in- progress	541,798	—	541,798	195,049	345,062
	\$ 237,218,873	\$ 100,896,588	\$ 136,322,285	\$ 137,368,363	\$ 144,662,303

Cost and accumulated amortization at March 31, 2007 amounted to \$229,905,012 and \$92,536,649 respectively. Cost and accumulated amortization at March 31, 2006 amounted to \$239,031,106 and \$94,368,803 respectively.

9. Deferred revenue:

Details of the year-end balance are as follows:

	2008	2007	2006
Student tuition fees	\$ 7,847,773	\$ 6,655,261	\$ 6,008,808
Grants and reimbursements	4,699,225	227,673	5,438,638
Contract education services	1,888,975	1,781,825	3,547,030
Student aid	474,927	311,637	1,738,133
Miscellaneous projects	2,660,098	1,955,058	817,268
	\$ 17,570,998	\$ 10,931,454	\$ 17,549,877

THE ALGONQUIN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements (continued)

Year ended March 31, 2008

9. Deferred revenue (continued):

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

Grants and reimbursements are unexpended restricted grants to be spent on future specific projects, including improvements and investments in the College's campus facilities, information systems, equipment and programs.

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

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

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

10. Obligations under capital leases:

The College is committed to minimum lease payments for food services equipment until 2008 and for publishing equipment until 2011. Future minimum annual lease payments are as follows:

2009	\$	135,040
2010		32,493
2011		21,650
Total minimum lease payments		189,183
Less amounts representing interest (at rates of 9.50%, and 7.91%)		10,442
Obligations under capital leases		178,741
Less current portion of obligations under capital leases		128,149
Long-term portion of obligations under capital leases		\$ 50,592

Operating expenditures include interest on capital leases of \$24,235 (2007 - \$51,523).

THE ALGONQUIN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements (continued)

Year ended March 31, 2008

11. Long-term debt and interest rate swaps:

(a) Long-term debt:

The College has entered into the following long-term debt agreements to finance renovations to the Food and Beverage facilities, the construction of student residences, the Police and Public Safety Building, the Automotive Trades Centre and the purchase of land for the Corporate Training Centre (Kanata).

	2008	2007	2006
Residence I building loan, bearing interest at prime plus 0.40%, maturing in 2025 (note 11(b))	\$ 11,139,258	\$ 11,451,500	\$ 11,742,982
Residence II building loan, bearing interest at prime plus 0.25%, maturing in 2027 (note 11(b))	15,606,932	16,005,824	16,379,305
Residence III building loan, bearing interest at prime plus 0.25%, maturing in 2029 (note 11(b))	16,522,818	16,911,455	17,277,625
Police and Public Safety building loan, bearing interest at prime plus 0.40%, maturing in 2025 (note 11(b))	8,508,289	8,756,116	8,988,275
	51,777,297	53,124,895	54,388,187
Less current portion	1,437,552	1,347,599	1,263,290
	\$ 50,339,745	\$ 51,777,296	\$ 53,124,897

Interest is payable on a monthly basis. The principal of the loans is payable as follows:

2009	\$ 1,437,552
2010	1,533,528
2011	1,635,931
2012	1,745,631
2013	1,861,774
Thereafter	43,562,882
	\$ 51,777,298

THE ALGONQUIN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements (continued)

Year ended March 31, 2008

11. Long-term debt and interest rate swaps (continued):

(b) Interest rate swaps:

The College has entered into interest rate swap agreements to manage the volatility of interest rates. The College converted a net notional \$59.0 million of floating rate long-term debt relating to the three phases of the Residence and the Police & Public Safety Institute (see note 11(a)). The fixed rates received under the interest rate swaps range from 5.97% to 6.95%. The maturity dates of the interest rate swaps are the same as the maturity dates of the associated long-term debt, ranging from 2025 to 2029.

These interest rate swaps qualify, and have been designated by the College, as cash flow hedging items against the floating rate long-term debt. The College has assessed the hedging relationship as effective. The fair value of the interest rate swaps of \$9,859,452 (2007 - \$8,669,685), (2006 - \$8,548,572) is recorded on the statement of financial position. Because the hedging relationship is effective, the change in fair value of the interest rate swaps is recorded in the statement of changes in net assets, with no impact on the College's excess of revenue over expenditures.

12. 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:

	2008	2007	2006
Balance, beginning of year	\$ 60,727,332	\$ 68,685,808	\$ 65,753,475
Less amortization of deferred capital contributions	(5,631,524)	(5,553,623)	(5,553,799)
Less deferred capital contributions related to the sale of Rideau Campus	—	(6,340,840)	—
Add capital contributions received:			
Donated equipment	306,345	97,250	64,747
Government contributions	4,711,892	3,838,737	8,421,385
Balance, end of year	\$ 60,114,045	\$ 60,727,332	\$ 68,685,808

THE ALGONQUIN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements (continued)

Year ended March 31, 2008

13. Investment in capital assets:

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

	2008	2007	2006
Capital assets	\$ 136,322,285	\$ 137,368,363	\$ 144,662,303
Less amounts financed by:			
Deferred capital contributions	(60,114,045)	(60,727,332)	(68,685,808)
Long-term debt	(51,777,297)	(53,124,895)	(54,388,187)
Capital lease	(178,741)	(452,822)	(873,965)
	<u>\$ 24,252,202</u>	<u>\$ 23,063,314</u>	<u>\$ 20,714,343</u>

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

	2008	2007	2006
Capital asset additions:			
Total additions	\$ 11,005,441	\$ 11,387,943	\$ 11,337,519
Less:			
Donated equipment	(306,345)	(97,250)	(64,747)
Capital asset purchases financed with grants and donations	(4,711,892)	(3,838,737)	(8,421,385)
Equipment purchases with College funds	<u>5,987,204</u>	<u>7,451,956</u>	<u>2,851,387</u>
External financing:			
Decrease in long-term debt	1,347,598	1,263,292	5,739,173
Decrease in capital lease	274,081	421,143	328,847
Amortization of deferred capital contributions	5,631,524	5,553,623	5,553,799
Amortization of capital assets	(12,012,343)	(11,721,353)	(11,443,645)
Write-off of capital assets	(39,176)	(25,324)	(93,816)
Amounts relating to sale of Rideau Campus (note 23):			
Net book value of buildings	—	(6,935,206)	—
Deferred capital contributions	—	6,340,840	—
Net change in investment in capital assets	<u>\$ 1,188,888</u>	<u>\$ 2,348,971</u>	<u>\$ 2,935,745</u>

THE ALGONQUIN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements (continued)

Year ended March 31, 2008

14. Internally restricted net assets:

Internally restricted net assets are funds restricted by the College for future projects to improve and invest in the College's campus facilities, information systems, equipment, programs, student aid and employee retraining. Certain 2006 and 2007 comparative figures have been reclassified.

Internally restricted assets consist of the following:

	2008	2007	2006
Appropriations	\$ 3,594,092	\$ 4,235,821	\$ 3,623,000
Specific reserves:			
Other projects and initiatives	7,338,670	8,366,805	3,326,000
Ancillary reserve fund	2,541,478	2,421,500	997,000
Employment stabilization funds	308,313	251,693	264,400
Other student aid	15,756	5,968	5,053
Reserve funds:			
Future capital expansion - sale of Rideau Campus	6,189,255	5,925,000	—
Future capital expansion	15,135,370	8,734,056	3,168,000
Rural campus reserve fund	2,044,600	1,000,000	—
Balance, end of year	\$ 37,167,534	\$ 30,940,843	\$ 11,383,453

15. Endowment fund:

Endowed funds consist of external contributions that either the donor or the College has designated as a permanent endowment. The endowed funds cannot be expended by the College. The annual income earned on the endowed funds may be expended only for the externally restricted purpose specified by the donor or the College. Total endowments include \$8,270,966 in endowed funds relating to the Ontario Student Opportunity Trust Fund and Ontario Trust for Student Support. Included in the student aid portion of the deferred revenue (note 9), is \$98,959 of investment income available for distribution relating to the Ontario Student Opportunity Trust Fund (note 25).

The College's endowment policy is to annually distribute 4% of the average endowment balance.

The purpose of this policy is to allow the College to distribute a consistent amount of income from the endowed funds on an annual basis regardless of the investment income actually earned in the fiscal year.

The endowment fund balance at March 31, 2008 consists of \$8,345,925 (2007 - \$6,273,315; 2006 - \$4,976,869) of permanently endowed contributions from donors and \$530,141 (2007 - \$307,967; 2006 - \$159,738) of realized net investment income available for distribution and \$286,631 (2007 - \$962,694) of unrealized investment income due to changes in the fair value of endowment assets.

THE ALGONQUIN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements (continued)

Year ended March 31, 2008

15. Endowment fund (continued):

The change in the endowment fund balance in 2008 consists of \$2,072,610 (2007 - \$1,296,446) of permanently endowed contributions, \$222,174 (2007 - \$148,229) increase in realized net investment income available for distribution, and \$676,064 decrease (2007 - \$269,056 increase) in unrealized investment income due to changes in the fair value of endowment assets.

16. Employee benefits plans:

(a) Pension plan:

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.

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.

The College's pension expense is calculated in accordance with the contribution formula contained in the Plan Text, using Plan management's best estimates, in consultation with its actuaries. The funding objective is for employer contributions to the Plan to remain a constant percentage of employees' contributions.

Variances between actuarial funding estimates and actual experience may be material and any differences are generally to be funded by the participating members. The most recent triennial actuarial valuation of the Plan as at January 1, 2007 indicates a Plan deficit of \$585,400,000 on a going concern basis. Contributions to the Plan made during the year by the College on behalf of its employees amounted to \$6,532,373 (2007 - \$5,967,633) and are included in the statement of operations.

(b) Post employment 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 employee future benefits was completed as at March 31, 2008.

THE ALGONQUIN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements (continued)

Year ended March 31, 2008

16. Employee benefits plans (continued):

(b) Post employment benefits (continued):

Effective September 1, 2005, the cost of the early retiree benefits are no longer subsidized by the Colleges. The elimination of benefits to early retirees after August 30, 2005 created a curtailment gain per the recent actuarial valuation for the College of \$30,000 (2007 - \$223,800) (2006 - \$2,449,000). This curtailment gain, net of annual service costs, reduces the accrued benefit liability as at March 31, 2008.

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

Discount rate	5.5%
Dental benefits cost escalation	7.5%
Medical benefits cost escalation - hospital and other medical	5.0%
- drugs	10.5% in 2008, decreasing to 5.5% per annum in 2018.

(c) Net asset deficiency – vacation, sick leave and post employment benefits:

The composition of the vacation, sick leave and post-employment net asset deficiency is as follows:

	2008	2007	2006
Post-employment benefits	\$ 2,957,300	\$ 2,857,000	\$ 3,080,800
Vacation	8,671,670	8,138,703	7,498,389
Sick leave	3,753,599	3,802,377	3,834,297
	\$ 15,382,569	\$ 14,798,080	\$ 14,413,486

17. 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 ALGONQUIN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements (continued)

Year ended March 31, 2008

17. Financial instruments (continued):

(a) Concentrations of credit risk (continued):

The largest credit exposure to a single institution at March 31, 2008 was \$2,176,718 (2007 - \$2,458,301; 2006 - \$2,723,104) with the Algonquin Students' Association Inc. related to a guarantee of borrowings for the Student Fitness Centre.

In addition, the College has committed, upon receiving appropriate notification, to apply fees collected on behalf of the Algonquin Students' Association to ensure that the bank loan to the Students' Association related to the construction of the Sportsfield remains current.

(b) Fair values:

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

The fair value of the obligation under capital leases is measured as the present value of contractual future lease payments discounted at a rate for similar leases.

The fair value of investments is disclosed in note 7. The fair value of the long-term receivable is disclosed in note 23(b).

18. Commitments and guarantees:

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

2009	\$ 174,504
2010	58,263
2011	47,039
	<hr/>
	\$ 279,806

(b) Letters of credit:

The College is contingently liable under letters of credit amounting to \$322,629 (2007 - \$317,629) which have been issued in the normal course of business.

(c) Guarantee:

In the normal course of business, the College has entered into lease agreements for premises and equipment. It is common in such commercial lease transactions for the College, as the lessee, to agree to indemnify the lessor liabilities that may arise from the use of the leased assets. The maximum amount potentially payable under the foregoing indemnities cannot be reasonably estimated. The College has liability insurance that relates to the indemnifications described above.

THE ALGONQUIN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements (continued)

Year ended March 31, 2008

19. Contingencies:

The College is involved with pending litigation and claims which arise 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.

20. Building campaign:

In 2005, the Algonquin College Foundation launched a building campaign to raise \$2 million by 2010 to finance the construction of the new Automotive Technology Trades Centre. To date, \$320,758 has been contributed and externally restricted for this new building.

The building campaign has obtained \$535,000 in pledges, which have not been recorded in these financial statements.

21. Change in non-cash working capital:

	2008	2007	2006
Decrease (increase) in accounts receivable	\$ (4,481,044)	\$ (2,515,841)	\$ 9,322,800
Increase in inventory	(348,363)	(29,823)	(154,818)
Decrease (increase) in prepaid expenses	(21,186)	108,805	560,020
Increase in accounts payable and accrued liabilities	1,847,345	226,743	830,543
Increase (decrease) in accrued salaries and employee deductions payable	779,854	879,412	(146,601)
Increase (decrease) in deferred revenue	6,639,544	(6,618,423)	(1,722,941)
	<u>\$ 4,416,150</u>	<u>\$ (7,949,127)</u>	<u>\$ 8,689,003</u>

22. Related parties:

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 objectives of the Foundation are to solicit, receive, manage and distribute money and other property to support education at the College.

During the year, the College received \$2,825,680 (2007 - \$1,756,455; 2006 - \$1,917,504) from the Foundation in endowed contributions, deferred contributions and other restricted donations. The College provides the Foundation with office premises without charge and pays the salaries of all employees involved with the Foundation.

THE ALGONQUIN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements (continued)

Year ended March 31, 2008

23. Sale of Rideau Campus:

Effective January 10, 2007, the College completed the sale of the Rideau Campus at a price of \$7.2 million. As consideration, the College received from the purchaser \$350,000 cash on January 10, 2007 and a promissory note with a face value of \$6.85 million due and payable on August 1, 2008. The promissory note does not bear interest.

The promissory note was recorded at January 10, 2007 at its fair value calculated as the present value of the future cash receipt discounted using an effective rate of interest of 5%. The fair value of the promissory note at January 10, 2007 was \$6,336,387, representing a discount from face value of \$513,613.

(a) Gain on sale of Rideau Campus:

Gross proceeds on disposal	\$ 7,200,000
Less: discount of the face value of promissory note	(513,613)
Less: sale-related expenditures	(167,498)
Net proceeds on disposal	6,518,889
Net investment in disposed capital assets	594,366
Gain on sale of asset	\$ 5,924,523

(b) Short-term receivable:

The College holds a promissory note with a face value of \$6.85 million due and payable on August 1, 2008. The promissory note does not bear interest. The discount of the face value of the promissory note is being amortized into revenue using the effective interest method at a rate of interest of 5%.

The short-term receivable is recorded in accounts receivable.

Fair value at March 31, 2007 (note 23(a))	\$ 6,406,204
Amortization of discount of the face value of promissory note	329,353
Balance, March 31, 2008	\$ 6,735,557

The amortization of the discount is recorded as investment interest revenue.

THE ALGONQUIN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements (continued)

Year ended March 31, 2008

24. Comparative figures:

Certain March 31, 2006 and 2007 comparative figures have been reclassified to conform to the financial statement presentation adopted for March 31, 2008.

25. 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:

(a) PHASE I

Schedule of Changes in Endowment Fund Balance For the year ended March 31, 2008

Fund balance at beginning of year	\$ 994,793
Cash donations received	—
Fund balance at end of year	\$ 994,793(A)

Schedule of Changes in Expendable Funds Available for Awards for the year ended March 31, 2008

Balance, beginning of year	\$ 24,407
Realized investment income, net of direct investment-related expenses and preservation of capital contributions	42,873
Bursaries awarded (total number: 50)	(30,429)
Balance, end of year	\$ 36,851(B)
Endowment total based on book value (=A+B)	\$ 1,031,644

The fair value of this endowment as at March 31, 2008 is \$1,092,715 (2007 - \$1,089,250).

THE ALGONQUIN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements (continued)

Year ended March 31, 2008

25. Ontario Student Opportunity Trust Fund (continued):

(b) PHASE II

Schedule of Changes in Endowment Fund Balance for the Period of April 1, 2007 to March 31, 2008

Fund balance at beginning of year	\$ 2,002,396
Cash donations received	—
Audited unmatched cash donations, received between March 27, 2003 and March 31, 2005, transferred to OTSS in 2006-07	—
Fund balance at end of year	\$ 2,002,396(A)

Schedule of Changes in Expendable Funds Available for Awards for the Period April 1, 2007 to March 31, 2008

Balance, beginning of year	\$ 31,374
Realized investment income, net of direct investment-related expenses and preservation of capital contributions	82,231
Bursaries awarded (total number: 104)	(87,479)
Balance, end of year	\$ 26,126(B)
Endowment total based on book value (=A+B)	\$ 2,028,522

The fair value of this endowment as at March 31, 2008 is \$2,199,500 (2007 - \$2,192,236).

(c) ONTARIO TRUST FOR STUDENT SUPPORT

Schedule of donations received between April 1, 2007 and March 31, 2008

Cash donations matched between April 1, 2007 and March 31, 2008	\$ 564,988
Unmatched cash donations (received between April 1, 2007 and March 31, 2008)	119,781
Total cash donations	\$ 684,769

THE ALGONQUIN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements (continued)

Year ended March 31, 2008

25. Ontario Student Opportunity Trust Fund (continued):

(c) ONTARIO TRUST FOR STUDENT SUPPORT

Schedule of Changes in Endowment Fund Balance For the Period April 1, 2007 to March 31, 2008

Balance, beginning of year	\$ 2,650,724
Eligible cash donations received between April 1, 2007 and March 31, 2008 in compliance with the November 2005 Program Guidelines and Reporting Requirements	684,769
Matching funds received from MTCU in 2007-08	348,902
Matching funds receivable from MTCU in 2007-08	848,196
Fund balance at end of year	\$ 4,532,591(A)

Schedule of Changes in Expendable Funds Available for Awards For the Period April 1, 2007 to March 31, 2008

Balance, beginning of year	\$ 12,974
Realized investment income, net of direct investment-related expenses and preservation of capital contributions	107,969
Bursaries awarded (total number: 99)	(84,961)
Balance, end of year	\$ 35,982(B)
Endowment total based on book value (=A+B)	\$ 4,568,573

The fair value of this endowment as at March 31, 2008 is \$4,978,751 (2007 - \$3,577,760).

THE ALGONQUIN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements (continued)

Year ended March 31, 2008

25. Ontario Student Opportunity Trust Fund (continued):

Algonquin College
Report of OTSS Awards Issued for the Period of April 1, 2007 to March 31, 2008

Status of Recipients	OSAP Recipients		Non-OSAP Recipients		Total	
	Number	Amount	Number	Amount	Number	Amount
Full-Time	35	\$27,267	64	\$57,694	99	\$84,961
Part-Time	N/A	N/A	0	\$0.00	0	\$0.00
Total	35	\$27,267	64	\$57,694	99	\$84,961

THE ALGONQUIN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Revenue

Schedule A

Year ended March 31, 2008, with comparative figures for 2007 and 2006

	2008	2007	2006
Grants and reimbursements:			
Provincially financed programs:			
Plant and activity grants	\$ 89,886,055	\$ 84,400,010	\$ 75,639,698
Special bursaries	1,805,873	1,885,282	1,769,132
	91,691,928	86,285,292	77,408,830
Flat-rate funding programs:			
Apprentice	4,403,302	4,797,087	3,404,273
	96,095,230	91,082,379	80,813,103
Student tuition fees:			
Post secondary:			
Full-time	37,772,973	35,321,469	33,234,242
Full-time fast track	1,182,169	812,105	731,266
Part-time	8,843,753	8,540,663	8,382,895
Adult training	1,658,991	1,794,897	1,600,595
Student information technology fee	2,191,130	2,106,476	2,225,687
	51,649,016	48,575,610	46,174,685
Contract educational services:			
Provincially funded programs	5,816,232	6,511,876	5,430,040
International programs	658,526	1,343,065	1,347,664
Corporate and other programs	8,241,111	6,640,842	5,238,675
	14,715,869	14,495,783	12,016,379
Ancillary operations (schedule H)	34,181,443	33,638,874	31,224,349
Other:			
Early Learning Centre	821,675	792,824	778,610
Student ancillary fees	4,316,321	4,042,272	3,821,468
Investment interest	2,188,645	1,726,278	748,054
Miscellaneous	5,576,050	7,883,083	5,742,931
	12,902,691	14,444,457	11,091,063
Amortization of deferred capital contributions (note 12)	5,631,524	5,553,623	5,553,799
Total operating revenue	\$ 215,175,773	\$ 207,790,726	\$ 186,873,378

THE ALGONQUIN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Academic Expenditures

Schedule B

Year ended March 31, 2008, with comparative figures for 2007 and 2006

	2008	2007	2006
Salaries:			
Faculty	\$ 53,843,333	\$ 49,700,714	\$ 46,022,403
Administration	6,463,725	6,271,539	5,563,092
Support staff	9,099,920	8,345,464	8,262,045
Fringe benefits	12,215,910	11,254,346	10,255,907
Job Connect stipends and fringe benefits	1,189,854	1,351,941	1,238,165
Travel and professional development	1,137,600	1,002,463	890,260
Instructional supplies and software	7,137,828	6,979,116	5,888,854
Equipment maintenance and rental	1,529,789	1,398,951	2,458,146
Contract services	5,356,449	4,587,608	4,201,388
	\$ 97,974,408	\$ 90,892,142	\$ 84,780,260

Educational Resources Expenditures

Schedule C

Year ended March 31, 2008, with comparative figures for 2007 and 2006

	2008	2007	2006
Salaries	\$ 1,576,709	\$ 1,508,378	\$ 1,502,813
Fringe benefits	347,953	315,226	314,853
Library resource material	400,161	305,317	262,745
Office expense, supplies and maintenance	95,121	103,935	81,838
	\$ 2,419,944	\$ 2,232,856	\$ 2,162,249

THE ALGONQUIN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Student Services Expenditures

Schedule D

Year ended March 31, 2008, with comparative figures for 2007 and 2006

	2008	2007	2006
Salaries	\$ 10,374,012	\$ 9,692,448	\$ 8,779,778
Fringe benefits	2,001,163	1,836,540	1,653,422
Media advertising, public relations and calendar	2,822,393	2,384,696	2,342,225
Travel and conferences	395,157	350,809	271,499
Office expense and supplies	2,051,513	1,627,965	1,413,503
Contract services	1,231,497	1,557,485	968,246
Insurance – international students	285,067	337,429	202,524
Student aid	3,431,131	3,386,781	3,534,354
Student bursaries	2,787,005	3,273,617	3,298,732
	\$ 25,378,938	\$ 24,447,770	\$ 22,464,283

Administrative Expenditures

Schedule E

Year ended March 31, 2008, with comparative figures for 2007 and 2006

	2008	2007	2006
Salaries	\$ 9,520,161	\$ 8,746,151	\$ 7,399,301
Fringe benefits	1,985,049	1,791,523	1,547,645
Travel and conferences	261,338	175,053	155,316
Office expense and supplies	2,617,205	1,931,358	1,713,090
Telephone	396,672	598,907	610,527
Professional fees	709,783	1,134,236	1,253,227
Equipment maintenance, rental and software	1,157,042	1,107,768	1,305,364
Contract services	715,985	1,053,414	247,176
Interest on long-term debt	610,026	619,008	736,845
	\$ 17,973,261	\$ 17,157,418	\$ 14,968,491

THE ALGONQUIN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Plant Expenditures

Schedule F

Year ended March 31, 2008, with comparative figures for 2007 and 2006

	2008	2007	2006
Salaries	\$ 3,535,541	\$ 3,359,330	\$ 3,350,599
Fringe benefits	750,739	720,623	713,269
Cleaning, security and other services	2,144,565	2,061,692	2,325,344
Building and equipment - repairs and maintenance	7,822,448	3,920,649	3,187,993
Utilities and services	3,302,142	3,063,060	2,755,050
Municipal taxes	896,524	902,120	907,445
Insurance	397,881	426,521	365,456
Premises rental	272,910	227,545	206,567
Office expense and supplies	1,537,894	943,462	218,568
	\$ 20,660,644	\$ 15,625,002	\$ 14,030,291

Special Projects Expenditures

Schedule G

Year ended March 31, 2008, with comparative figures for 2007 and 2006

	2008	2007	2006
Salaries	\$ 229,754	\$ 158,658	\$ 158,354
Fringe benefits	24,233	17,719	18,829
Software expense	13,555	2,040	65,172
Sick leave and College compensation	957,529	993,579	1,129,384
Office expense and supplies	564,226	509,790	381,424
Contract services	120,859	410,849	225,838
Equipment maintenance and rental	73,952	50,757	58,347
	\$ 1,984,108	\$ 2,143,392	\$ 2,037,348

THE ALGONQUIN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Ancillary Operations Summary

Schedule H

Year ended March 31, 2008, with comparative figures for 2007 and 2006

	Revenue	Expenditures	2008 Contribution	2007 Contribution	2006 Contribution
Food Services	\$ 7,069,700	\$ 6,518,354	\$ 551,346	\$ 481,174	\$ 454,439
Bookstore	14,032,961	12,932,296	1,100,665	1,112,862	1,024,166
Parking and Lockers	3,386,087	1,364,573	2,021,514	2,007,056	1,665,540
Publishing Centre	1,916,550	1,497,836	418,714	550,687	512,754
Residence	7,516,076	6,059,319	1,456,757	1,602,223	990,405
Other	260,069	466,199	(206,130)	(122,564)	(189,876)
Totals	\$ 34,181,443	\$ 28,838,577	\$ 5,342,866	\$ 5,631,438	\$ 4,457,428