

Consolidated financial statements of

**The Algonquin College of Applied  
Arts and Technology**

March 31, 2014

# **The Algonquin College of Applied Arts and Technology**

March 31, 2014

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## **Independent Auditor's Report**

To the Board of Governors of The Algonquin College of Applied Arts and Technology

We have audited the accompanying consolidated financial statements of The Algonquin College of Applied Arts and Technology (the "College"), which comprise the consolidated statement of financial position as at March 31, 2014, and the consolidated statements of operations, changes in net assets, remeasurement gains and losses and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards for government not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

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

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

## Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the College as at March 31, 2014, and the results of its operations and its cash flow for the year then ended in accordance with Canadian public sector accounting standards for government not-for-profit organizations.

*Deloitte LLP*

Chartered Professional Accountants, Chartered Accountants  
Licensed Public Accountants

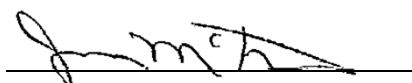
June 9, 2014

# The Algonquin College of Applied Arts and Technology

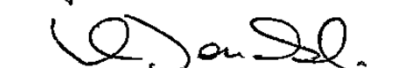
Consolidated statement of financial position  
as at March 31, 2014

	2014	2013
	\$	\$
<b>Assets</b>		
Current assets		
Cash and cash equivalents	31,311,471	27,284,600
Short-term investments (Note 3)	21,350,896	9,276,932
Accounts receivable (Note 4)	14,020,605	17,370,431
Inventory (Note 5)	1,964,775	1,872,660
Prepaid expenses	1,590,712	1,983,268
	<b>70,238,459</b>	<b>57,787,891</b>
Investments (Note 3)	29,222,152	37,441,881
Investment in Algonquin College - Saudi Arabia (Note 6)	1,998,098	-
Endowment assets (Note 7a)	20,810,100	17,910,936
Capital assets (Note 8)	271,415,796	279,718,558
	<b>393,684,605</b>	<b>392,859,266</b>
<b>Liabilities</b>		
Current liabilities		
Accounts payable and accrued liabilities	14,530,902	14,255,600
Accrued salaries and employee deductions payable	5,785,363	5,754,634
Deferred revenue (Note 9)	23,187,521	21,580,732
Current portion of long-term debt (Note 10)	2,449,163	2,494,235
	<b>45,952,949</b>	<b>44,085,201</b>
Long-term debt (Note 10)	56,558,486	62,365,832
Interest rate swaps (Note 10)	9,930,830	13,722,914
Vacation, sick leave and post-employment benefits (Note 11)	18,896,993	19,862,995
Deferred capital contributions (Note 12)	161,604,124	165,940,500
	<b>292,943,382</b>	<b>305,977,442</b>
Commitments, guarantees and contingencies (Note 13)		
<b>Net assets (deficiency)</b>		
Unrestricted	1,000,000	1,000,000
Investment in capital assets (Note 14)	50,804,023	48,917,991
Vacation, sick leave and post-employment benefits (Note 11)	(18,896,993)	(19,862,995)
Internally restricted (Note 15)	56,954,923	52,638,806
Endowment fund (Note 7b)	20,810,100	17,910,936
	<b>110,672,053</b>	<b>100,604,738</b>
Accumulated remeasurement losses	(9,930,830)	(13,722,914)
	<b>100,741,223</b>	<b>86,881,824</b>
	<b>393,684,605</b>	<b>392,859,266</b>

Approved by the Board



Chairman



Member

See accompanying notes to the financial statements.

# The Algonquin College of Applied Arts and Technology

Consolidated statement of operations  
year ended March 31, 2014

	2014	2013
	\$	\$
<b>Revenue (Schedule A)</b>		
Grants and reimbursements	100,050,650	98,589,195
Student tuition fees	92,626,158	84,061,460
Contract educational services	29,513,307	29,892,634
Ancillary services (Schedule B)	35,396,086	34,295,089
Other	15,398,540	15,628,424
Amortization and write off of deferred capital contributions (Note 12)	8,299,156	8,024,264
	<b>281,283,897</b>	<b>270,491,066</b>
<b>Expenses</b>		
Salaries and benefits	156,585,768	149,478,200
Building maintenance and utilities	12,569,596	12,971,045
Instructional supplies and equipment	6,686,600	5,617,501
Bursaries and other student aid	6,305,832	7,845,724
Interest	1,972,566	722,702
Amortization and write off of capital assets (Note 14)	15,520,784	14,810,940
Ancillary services (Schedule B)	29,684,118	28,668,764
Other	45,756,484	44,360,534
	<b>275,081,748</b>	<b>264,475,410</b>
Change in vacation, sick leave and post- employment benefits liabilities (Note 11)	(966,002)	(37,768)
	<b>274,115,746</b>	<b>264,437,642</b>
<b>Excess of revenue over expenses</b>	<b>7,168,151</b>	<b>6,053,424</b>

See accompanying notes to the financial statements.

# The Algonquin College of Applied Arts and Technology

Consolidated statement of changes in net assets  
year ended March 31, 2014

	Unrestricted	Investment in capital assets (Note 14)	Vacation, sick leave and post-employment benefits (Note 11)	Internally restricted (Note 15)	Endowment fund (Note 7b)	2014	2013
	\$	\$	\$	\$	\$	\$	\$
<b>Net assets (deficiency), beginning of year</b>	<b>1,000,000</b>	<b>48,917,991</b>	<b>(19,862,995)</b>	<b>52,638,806</b>	<b>17,910,936</b>	<b>100,604,738</b>	93,096,343
Excess of revenue over expenses	7,168,151	-	-	-	-	7,168,151	6,053,424
Change in vacation, sick leave and post-employment benefits liabilities (Note 11)	(966,002)	-	966,002	-	-	-	-
Internally imposed restrictions	(4,316,117)	-	-	4,316,117	-	-	-
Net change in investment in capital assets (Note 14)	(1,886,032)	1,886,032	-	-	-	-	-
Net change in Endowment Fund (Note 7b)	-	-	-	-	2,899,164	2,899,164	1,454,971
<b>Net assets (deficiency), end of year</b>	<b>1,000,000</b>	<b>50,804,023</b>	<b>(18,896,993)</b>	<b>56,954,923</b>	<b>20,810,100</b>	<b>110,672,053</b>	100,604,738

See accompanying notes to the financial statements.

# The Algonquin College of Applied Arts and Technology

Consolidated statement of remeasurement gains and losses  
year ended March 31, 2014

	2014	2013
	\$	\$
<b>Accumulated remeasurement losses, beginning of year</b>	<b>(13,722,914)</b>	<b>(14,148,233)</b>
Unrealized gains attributable to:		
Interest rate swaps	<b>3,792,084</b>	425,319
<b>Accumulated remeasurement losses, end of year</b>	<b>(9,930,830)</b>	<b>(13,722,914)</b>

See accompanying notes to the financial statements.



# The Algonquin College of Applied Arts and Technology

## Consolidated statement of cash flow year ended March 31, 2014

	2014	2013
	\$	\$
<b>Operating activities</b>		
Excess of revenue over expenses	7,168,151	6,053,424
Items not affecting cash		
Amortization of capital assets	15,451,829	14,728,114
Write off of capital assets	68,955	82,826
Amortization and write off of deferred capital contributions	(8,299,156)	(8,024,264)
Investment loss in Algonquin College - Saudi Arabia	730,229	
Decrease in vacation, sick leave and post-employment benefits liabilities (Note 11)	(966,002)	(37,768)
	<b>14,154,006</b>	<b>12,802,332</b>
Changes in non-cash operating working capital items (Note 17)	5,563,087	317,502
	<b>19,717,093</b>	<b>13,119,834</b>
<b>Financing activities</b>		
Principal repayments of long-term debt	(2,494,235)	(1,861,774)
(Decrease) increase in long-term debt	(3,358,183)	21,296,749
Disposal of investments	43,898,382	23,416,890
Purchases of investments	(47,752,617)	(1,709,519)
Decrease in bank indebtedness	-	(15,131,580)
Net contribution to Endowment Fund	3,217,191	716,663
	<b>(6,489,463)</b>	<b>26,727,429</b>
<b>Capital activities</b>		
Capital asset additions (Note 14)	(6,981,856)	(40,283,681)
Capital contributions received (Note 12)	3,726,614	17,111,879
	<b>(3,255,242)</b>	<b>(23,171,802)</b>
<b>Investing activities</b>		
Investment in Algonquin College-Saudi Arabia	(2,728,327)	-
Disposal of endowed assets	11,701,708	9,533,983
Purchases of endowed assets	(14,918,899)	(10,250,646)
	<b>(5,945,518)</b>	<b>(716,663)</b>
Increase in cash and cash equivalents	4,026,871	15,958,798
Cash and cash equivalents, beginning of year	27,284,600	11,325,802
<b>Cash and cash equivalents, end of year</b>	<b>31,311,471</b>	<b>27,284,600</b>
Interest paid in the year	3,814,219	3,158,049

See accompanying notes to the financial statements.

# The Algonquin College of Applied Arts and Technology

Notes to the consolidated financial statements  
March 31, 2014

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## 1. Description of the College

The Algonquin College of Applied Arts and Technology (the "College") 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 exempt, under Section 149 of the Income Tax Act, from payment of income taxes.

## 2. Significant accounting policies

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards for government not-for-profit organizations ("PSAS") and include the following significant accounting policies:

### a) *Basis of presentation*

These consolidated financial statements include the accounts of the College and its controlled for-profit entities:

- 2364193 Ontario Inc., which is fully consolidated in these consolidated financial statements, and
- Algonquin College - Saudi Arabia, which is accounted for on a modified equity basis. Information concerning this entity is presented in the notes to these financial statements.

The College does not consolidate in its financial statements the results and financial position of its controlled not-for-profit organization, Algonquin College Foundation. Information concerning this entity is presented in the notes to these financial statements.

These consolidated financial statements do not reflect the assets, liabilities and results of operations of the various student organizations at the College, as these Organizations are not controlled by the College.

### b) *Revenue*

The College uses the deferral method of accounting for contributions for government not-for-profit organizations.

- i. 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. Contributions to endowment funds are recognized as direct increases in net assets in the period received.

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.

- ii. Contributions received for capital assets are deferred and amortized into revenue over the same term and on the same basis as the related capital asset. Contributions of land are recognized as direct increases in investment in capital assets in the period received.
- iii. 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.
- iv. 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.
- v. Unrestricted investment income is recognized as revenue on an accrual basis. All unrealized gains or losses in the fair value of unrestricted investments are recognized in the Statement of Remeasurement Gains and Losses; once realized, these gains and losses are recognized in the Statement of Operations.

# The Algonquin College of Applied Arts and Technology

Notes to the consolidated financial statements  
March 31, 2014

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## 2. Significant accounting policies (continued)

### c) *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 services and management's best estimate of retirement ages of employees and expected health care costs.

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

### d) *Financial instruments*

All financial instruments reported on the statement of financial position of the College are classified as follows:

Cash and cash equivalents	Fair value
Short-term investments	Fair value
Accounts receivable	Amortized cost
Investment	Fair value
Endowment assets	Fair value
Bank indebtedness	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Accrued salaries and employee deductions payable	Amortized cost
Long-term debt	Amortized cost
Interest rate swaps	Fair value

#### i. Cash equivalents

Cash and cash equivalents are comprised of the net amount of: cash on hand and short term investments, if any, which are highly liquid, subject to insignificant risk of changes in value and have a short maturity term of less than 90 days from the date of acquisition

#### ii. Investments

Purchases of investments are recorded on the settlement date. Transaction costs related to the acquisition of investments are expensed. Short-term investments are fixed-term investments maturing in the next fiscal year.

Unrealized gains or losses on investments denominated in foreign currencies are recorded in the Statement of remeasurement gains and losses; once realized, they are derecognized from the statement of remeasurement gains and losses and recognized in the Statement of operations.

#### iii. Endowed investments

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.

#### iv. Foreign currency

Investments denominated in foreign currencies are translated using rates of exchange in effect at the Statement of financial position date.

# The Algonquin College of Applied Arts and Technology

Notes to the consolidated financial statements  
March 31, 2014

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## 2. Significant accounting policies (continued)

### d) *Financial instruments (continued)*

#### v. 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 fair value of the swap is determined by discounting future cash flows, which are based on the difference between the market interest rate and the fixed interest rate the College pays.

Unrealized gains or losses on interest rate swaps are recorded in the Statement of remeasurement gains and losses; once realized, they are derecognized from the statement of remeasurement gains and losses and recognized in the Statement of operations.

### e) *Other financial instruments*

The College records accounts receivable, bank indebtedness, accounts payable and accrued liabilities, accrued salaries and employee deductions payable and long-term debt at amortized cost using the effective interest method of amortization.

### f) *Inventory*

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

### g) *Capital assets*

Purchased capital assets are recorded at cost less accumulated amortization. Contributed capital assets are recorded at fair value at the date of contribution. Repairs and maintenance costs are charged to expense. Betterments that extend the estimated life of an asset are capitalized. Capital assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. When a capital asset no longer contributes to the College's ability to provide services or the value of the future economic benefits associated with the capital asset is less than its net book value, the carrying value of the capital asset is reduced to reflect the decline in the asset's value.

- i. Furniture and library holdings are charged to expenses in the year of acquisition.
- ii. Computer software is charged to expenses in the year of acquisition.
- iii. Land originally acquired at the Woodroffe campus is recorded at a nominal value of \$1 with subsequent additions recorded at cost.
- iv. 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
- v. Construction in progress is not amortized until the project is complete and the facilities are available for use.

Capital assets are capitalized on acquisition and amortized on a straight-line basis over their useful lives, which has been estimated to be as follows:

Buildings	40 years
Site improvements	10-20 years
Equipment and computers	5 years

# The Algonquin College of Applied Arts and Technology

## Notes to the consolidated financial statements

March 31, 2014

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### 2. Significant accounting policies (continued)

#### h) *Expenses*

In the Statement of operations, the College presents its expenses by object, except for Ancillary services which are presented by function.

Expenses are recognized in the year incurred and are recorded in the applicable function to which they are directly related. The College does not allocate expenses among functions after initial recognition.

#### i) *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 consolidated financial statements.

#### j) *Taxes*

The College uses the taxes payable method to account for all income taxes related to its controlled for-profit entities.

#### k) *Use of estimates*

The preparation of these consolidated financial statements 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 consolidated financial statements and the reported amounts of revenues and expenses during the period. Actual results could differ from these estimates. These estimates are reviewed periodically and, as adjustments become necessary, they are reported in the periods in which they become known. The most significant estimates used in preparing these consolidated financial statements include assumptions used in determining the fair value of investments, endowment assets and interest rate swaps, the amount of accrued liabilities, the estimated useful lives of tangible capital assets, the calculation of post-employment benefit liabilities and the equity pickup for the investment in Algonquin College - Saudi Arabia.

### 3. Investments

Short term investments of \$21,350,896 (2013 - \$9,276,932) consist entirely of fixed income securities that will be maturing within a year. Long-term investments consist of the following:

	2014	2013
	\$	\$
Fixed income securities	27,409,187	35,725,354
Bond funds	1,287,205	1,218,734
Equity	525,760	497,793
	29,222,152	37,441,881

The College's fixed income securities have effective interest rates ranging from 2.1% to 4.0% and maturity dates ranging from May 2015 to September 2017 (March 31, 2013 - 3.1% to 5.7% and maturity dates ranging from January 2014 to November 2018).

# The Algonquin College of Applied Arts and Technology

Notes to the consolidated financial statements

March 31, 2014

## 4. Accounts receivable

	2014	2013
	\$	\$
Government of Ontario	1,671,764	1,491,690
HST receivable	917,061	1,486,496
Other receivables	12,852,607	15,724,095
Allowance for doubtful accounts	(1,420,827)	(1,331,850)
	<b>14,020,605</b>	<b>17,370,431</b>

Details on due dates for receivables are as follows:

	2014				
	0-30 days	31-60 days	61-90 days	Over 90 days	Total
	\$	\$	\$	\$	\$
Government of Ontario	1,671,764	-	-	-	1,671,764
HST receivable	917,061	-	-	-	917,061
Other receivables	7,972,508	2,911,142	32,449	1,936,508	12,852,607
Allowance for doubtful accounts	-	(358,037)	-	(1,062,790)	(1,420,827)
	<b>10,561,333</b>	<b>2,553,105</b>	<b>32,449</b>	<b>873,718</b>	<b>14,020,605</b>

	2013				
	0-30 days	31-60 days	61-90 days	Over 90 days	Total
	\$	\$	\$	\$	\$
Government of Ontario	1,491,690	-	-	-	1,491,690
HST receivable	926,706	-	-	559,790	1,486,496
Other receivables	10,672,151	2,948,354	45,570	2,058,020	15,724,095
Allowance for doubtful accounts	-	(585,018)	-	(746,832)	(1,331,850)
	<b>13,090,547</b>	<b>2,363,336</b>	<b>45,570</b>	<b>1,870,978</b>	<b>17,370,431</b>

## 5. Inventory

	2014	2013
	\$	\$
Bookstore	1,647,358	1,561,392
Food services	262,545	253,668
Publishing centre	31,425	35,409
Stationery and supplies	12,365	4,581
Hospitality	11,082	17,610
	<b>1,964,775</b>	<b>1,872,660</b>

The amount of inventory expensed during the year is \$18,708,175 (2013 - \$16,569,446).

# The Algonquin College of Applied Arts and Technology

Notes to the consolidated financial statements  
March 31, 2014

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## 6. Controlled entities

### (a) Investment in Algonquin College - Saudi Arabia

Algonquin College - Saudi Arabia is a limited liability company, incorporated on June 26, 2013 under the laws of the Kingdom of Saudi Arabia, as a for-profit entity with an August 31<sup>st</sup> year-end. It is a subsidiary of Algonquin College of Applied Arts and Technology. The due from Algonquin College - Saudi Arabia is without defined terms of repayment and is non-interest bearing.

	2014	2013
	\$	\$
Balance, beginning of year	-	-
Initial investment	142,110	-
Net loss of the year	(730,229)	-
	(588,119)	-
Due from Algonquin College - Saudi Arabia	2,586,217	-
Balance, end of year	1,998,098	-

The financial position of Algonquin College - Saudi Arabia and the results of its operations and its cash flows as at and for the 188-day period ended March 31, 2014 is as follows:

	2014	2013
	\$	\$
Financial position		
Assets	4,146,466	-
Liabilities	4,734,585	-
Deficit	(588,119)	-
	4,146,466	-
Results of operations		
Revenue	6,245,917	-
Expenses	6,976,146	-
Net loss	(730,229)	-
Cash Flows		
Operating	3,688,794	-
Capital	(2,112,196)	-
Investing	-	-
Financing	142,110	-
Net cash flow	1,718,708	-

# The Algonquin College of Applied Arts and Technology

Notes to the consolidated financial statements  
March 31, 2014

## 6. Controlled entities (continued)

### (b) Algonquin College Foundation

The College controls the Algonquin College Foundation by virtue of a Memorandum of Agreement between the two parties. The objectives of the Foundation are to solicit, receive, manage and distribute money and other property to support education at the College. The Foundation was incorporated without share capital on December 4, 1995 under the Ontario Corporations Act and is exempt from income taxes.

During the year, the College received \$3,073,791 (2013 - \$4,311,655) from the Foundation consisting of:

	2014	2013
	\$	\$
Endowed contributions	538,329	1,098,485
Deferred capital contributions	1,338,668	1,573,744
Other restricted contributions	1,196,794	1,639,426
	<b>3,073,791</b>	<b>4,311,655</b>

The College provides the Foundation with office premises without charge and pays the salaries of all employees involved with the Foundation.

The summarized assets, liabilities and results of operations for the Foundation for the year ended March 31, 2014 is as follows:

	2014	2013
	\$	\$
Financial position		
Total assets	<b>257,880</b>	196,482
Liabilities and fund balances		
Deferred revenue	<b>10,000</b>	-
Fund balances	<b>247,880</b>	196,482
	<b>257,880</b>	<b>196,482</b>
Results of operations		
Revenue	<b>3,208,429</b>	4,540,380
Expenses	<b>3,157,031</b>	4,345,462
Excess of revenue over expenses	<b>51,398</b>	194,918
Cash flows		
Operating	<b>61,667</b>	194,732
Net cash flow	<b>61,667</b>	<b>194,732</b>



# The Algonquin College of Applied Arts and Technology

Notes to the consolidated financial statements  
March 31, 2014

## 7. Endowment assets

- a) 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*

	2014	2013
	\$	\$
Endowed investments :		
Cash equivalents	1,029,047	493,767
Bonds	8,069,566	5,674,855
Equities	11,711,487	11,742,314
	<b>20,810,100</b>	<b>17,910,936</b>

*Cost*

	2014	2013
	\$	\$
Endowed investments :		
Cash equivalents	1,029,046	493,767
Bonds	7,905,024	5,389,148
Equities	10,217,914	10,051,878
	<b>19,151,984</b>	<b>15,934,793</b>

Endowed investments are managed by investment managers under an investment policy approved by the Board of Governors. The investment policy limits investments to Canadian and foreign equities traded on a public market, Canadian and the United States government and corporate bonds with a minimum rating of A-, and cash equivalents.

The bonds have effective interest rates of 2.05% to 7.68% and maturity dates ranging from September 2014 to June 2023 (March 31, 2013 - 2.05% to 7.9% and maturity dates ranging from June 2014 to June 2023).

The College regularly reviews endowed investments to determine whether unrealized losses represent temporary changes in fair value or are a result of other than temporary impairments. The consideration of whether an investment is other than temporarily impaired is based on a number of factors which include, but are not limited to, the financial condition of the issuer and the length and magnitude of the unrealized loss and specific credit events.

The College also considers its intent and ability to hold an investment for a sufficient period of time for the value of the unrealized loss to recover. Management believes that no unrealized losses are considered to be other than temporary.

# The Algonquin College of Applied Arts and Technology

Notes to the consolidated financial statements  
March 31, 2014

## 7. Endowment assets (continued)

- b) 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. The changes during the year in the Endowment Fund / Assets are as follows:

	2014	2013
	\$	\$
Opening balance	17,910,936	16,455,966
Contributions	621,895	446,402
Realized investment income (losses)	3,252,435	909,440
Distributions	(657,139)	(639,179)
Net contribution to Endowment Fund	3,217,191	716,663
Change in unrealized gains due to changes in fair value of endowment assets	(318,027)	738,307
Net change in Endowment Fund	2,899,164	1,454,970
Ending balance	20,810,100	17,910,936

The College's endowment policy is to annually distribute investment income equal to 4% of the Endowment Fund's book value at the end of the preceding fiscal year. 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.

As at March 31, 2014, the Endowment Fund / Assets included a balance of \$2,067,205 (2013 - \$(528,091)) which represents the cumulative realized investment income in excess of amounts distributed. The changes during the year are as follows:

	2014	2013
	\$	\$
Amount available for future distribution, beginning of year	(528,091)	(798,352)
Realized investment income	3,252,435	909,440
Amount distributed	(657,139)	(639,179)
Amount available for future distribution, end of year	2,067,205	(528,091)

# The Algonquin College of Applied Arts and Technology

Notes to the consolidated financial statements  
March 31, 2014

## 8. Capital assets

March 31, 2014			
	Cost	Accumulated amortization	Net book value
	\$	\$	\$
Land	7,336,878	-	7,336,878
Buildings	318,412,976	78,545,322	239,867,654
Work in progress	279,790	-	279,790
Site improvements	29,311,624	17,510,383	11,801,241
Parking lots	4,391,024	3,741,102	649,922
Computers and equipment	62,886,565	51,434,982	11,451,583
Automotive equipment	213,706	184,978	28,728
	<b>422,832,563</b>	<b>151,416,767</b>	<b>271,415,796</b>

March 31, 2013			
	Cost	Accumulated amortization	Net book value
	\$	\$	\$
Land	7,336,878	-	7,336,878
Buildings	317,211,947	70,902,389	246,309,558
Site improvements	25,679,900	15,204,712	10,475,188
Parking lots	4,391,024	3,551,062	839,962
Computers and equipment	63,435,559	48,721,873	14,713,686
Automotive equipment	208,535	165,249	43,286
	<b>418,263,843</b>	<b>138,545,285</b>	<b>279,718,558</b>

## 9. Deferred revenue

Details of the year-end balance are as follows:

	2014	2013
	\$	\$
Student tuition fees	15,911,762	14,311,413
Grant and reimbursements	87,534	383,584
Contract education services	2,569,740	2,816,336
Student aid	701,016	691,585
Miscellaneous projects	3,917,469	3,377,814
	<b>23,187,521</b>	<b>21,580,732</b>

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

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

# The Algonquin College of Applied Arts and Technology

Notes to the consolidated financial statements

March 31, 2014

## 9. Deferred revenue (continued)

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. Long-term debt, interest rate swaps, and bank indebtedness

### a) Long-term debt:

The College has entered into the following long-term debt agreements to finance the construction of student residences, the Police and Public Safety Institute, and the Student Commons Building:

	2014	2013
	\$	\$
Residence I building loan, bearing interest at prime plus 1.00% maturing in 2025, with average monthly payments of \$96,635.	8,739,233	9,211,047
Residence II building loan, bearing interest at prime plus 0.25% maturing in 2027, with average monthly payments of \$122,832	12,574,494	13,166,550
Residence III building loan, bearing interest at prime plus 0.25% maturing in 2029, with monthly payment of \$126,755	13,635,718	14,191,271
Police and Public Safety Institute loan, bearing interest at prime plus 1.00%, maturing in 2025, with monthly payments of \$67,833	3,269,526	6,994,450
Student Commons Loan, bearing interest at 4.008%, maturing in 2037, with semi-annual payments of \$678,301	20,788,678	21,296,749
	<b>59,007,649</b>	64,860,067
Less current portion	<b>2,449,163</b>	2,494,235
	<b>56,558,486</b>	62,365,832

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

	\$
2015	2,449,163
2016	2,598,799
2017	2,757,892
2018	2,927,055
2019	3,106,940
Thereafter	45,167,800
	<b>59,007,649</b>

# The Algonquin College of Applied Arts and Technology

Notes to the consolidated financial statements

March 31, 2014

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## 10. Long-term debt, interest rate swaps, and bank indebtedness (continued)

### b) Interest rate swaps:

The College has interest rate swap agreements to manage the volatility of interest rates related to a net notional \$59.0 million of floating rate long-term debt on the three phases of the Residence and the Police and Public Safety Institute. In January 2014, a prepayment of \$3,390,000 was applied against the Police and Public Safety Institute loan principal; thereby decreasing the loan balance and the associated swap. 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. The fair value of the interest rate swaps is \$9,930,830 (March 31, 2013 - \$13,722,914).

## 11. 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. The College makes contributions to the Plan equal to those of the employees. Contribution rates are set by the Plan's governors to ensure the long term viability of the Plan.

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

Any pension surplus or deficit is a joint responsibility of the members and employers and may affect future contribution rates. The College does not recognize any share of the Plan's pension surplus or deficit as insufficient information is available to identify the College's share of the underlying pension assets and liabilities. The Plan's January 1, 2014 actuarial valuation, prepared on a going concern basis, reflected a surplus of \$525 million (2013 - \$347 million).

Contributions to the Plan made during the year by the College on behalf of its employees amounted to \$12,947,998 (2013 - \$12,280,678) and are included in salaries and benefits on 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 post-employment benefits was completed by the Plan's Actuary as at March 1, 2011, and was extrapolated for accounting purposes to March 31, 2014.

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 Algonquin College of Applied Arts and Technology

Notes to the consolidated financial statements  
March 31, 2014

## 11. Employee benefits plans (continued)

### b) Post-employment benefits

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

	2014	2013
	%	%
Discount rate	2.7%	2.1%
Dental benefits cost and premium escalation	4.0%	4.0%
Medical benefits cost escalation		
Hospital and other medical	4.0%	4.0%
Vision/hearing	4.0%	4.0%
Drugs	9.0% in 2014 decreasing to 4.0% by 2034	10.5% in 2011 decreasing to 4.0% by 2026
Medical premium escalation	7.5% in 2014 decreasing to 4.0% by 2034	8.0% in 2011 decreasing to 4.0% by 2034
Expected return on assets	1.7%	1.7%

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

	2014	2013
	\$	\$
Post-employment benefits	3,768,300	3,874,300
Vacation	8,985,693	9,010,695
Sick leave	6,143,000	6,978,000
	<b>18,896,993</b>	<b>19,862,995</b>

The employee future benefit liability change for the year ended March 31, 2014 is (\$966,002) (2013 - (\$37,768)). This amount is comprised of:

	2014	2013
	\$	\$
Current year service cost	411,000	966,232
Interest expense on accrued benefit obligation	185,000	186,000
Amortization of actuarial loss	22,000	46,000
Benefit payments made by the college during the year	(1,584,002)	(1,236,000)
	<b>(966,002)</b>	<b>(37,768)</b>

# The Algonquin College of Applied Arts and Technology

Notes to the consolidated financial statements

March 31, 2014

## 12. Deferred capital contributions

Deferred capital contributions represent the unamortized amount of donations and grants received for the purchase and construction of capital assets. Investment income earned on government contributions received is also included in deferred capital contributions. The amortization of the deferred capital contributions is recorded as revenue in the statement of operations.

In 2005, the Algonquin College Foundation launched a building campaign to raise \$2 million for the construction of the Automotive Technology Trades Centre. Construction of the Automotive Technology Trades Centre was completed in 2007; however, pledges continue to be received. Total cumulative contributions received up to March 31, 2014 amounted to \$655,744 (2013 - \$650,744).

In 2008, the Foundation launched building campaigns to raise \$7 million for the construction of the Algonquin Centre for Construction Excellence, \$2.5 million for the expansion of the Pembroke campus, and \$1 million for the expansion of the Perth campus. The unused portion of contributions received will be used as construction continues on these projects. Total cumulative contributions received up to March 31, 2014 amounted to \$7,794,977 (March 31, 2013 - \$6,455,071).

The changes in the deferred capital contributions balance are as follows:

	2014	2013
	\$	\$
<b>Balance, beginning of year</b>	<b>165,940,500</b>	156,075,513
Less amortization of deferred capital contributions	(8,299,156)	(8,024,264)
	<b>157,641,344</b>	148,051,249
Add capital contributions received :		
Industry and Individual contributions		
Automotive Technology Trades Centre	15,000	32,083
Algonquin Centre for Construction Excellence	1,086,724	1,135,958
Pembroke campus expansion	159,900	208,582
Perth campus expansion	77,045	197,235
Government contributions		
Other capital projects	2,128,244	2,654,455
Enabling Accessibility Fund	-	977,000
Contributions from the Student Association		
Pembroke campus expansion	-	1,562,333
Student Commons building	259,701	10,344,235
Contributions received before donated equipment	3,726,614	17,111,881
Donated equipment	236,166	777,370
	<b>3,962,780</b>	17,889,251
<b>Balance, end of year</b>	<b>161,604,124</b>	165,940,500

# The Algonquin College of Applied Arts and Technology

Notes to the consolidated financial statements  
March 31, 2014

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## 13. Commitments, guarantees and contingencies

### *Commitment*

The College has committed to make the following future minimum payments under various vehicle, premises rental and equipment leases:

	\$
2015	709,735
2016	599,256
2017	378,277
	<u>1,687,268</u>

### *Letters of credit*

The College is contingently liable under letters of credit amounting to \$16,431,987 (March 31, 2013 - \$1,414,090), which have been issued in the normal course of business. The increase of \$15,017,897 is due to two additional letters of credit related to Algonquin College - Saudi Arabia's Jazan campus.

### *Guarantees*

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's 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.

### *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 consolidated financial statements of the College. Losses, if any, arising from these matters will be accounted for in the year in which they are resolved.

## 14. Investment in capital assets

The investment in capital assets consists of the following:

	2014	2013
	\$	\$
Capital assets	271,415,796	279,718,558
Less amounts financed by:		
Deferred capital contributions-used (Note 12)	(161,604,124)	(165,940,500)
Long-term debt	(59,007,649)	(64,860,067)
	<u>50,804,023</u>	<u>48,917,991</u>



# The Algonquin College of Applied Arts and Technology

Notes to the consolidated financial statements  
March 31, 2014

## 14. Investment in capital assets (continued)

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

	2014	2013
	\$	\$
Capital asset additions :		
Total additions	7,218,022	41,061,051
Less:		
Donated equipment	(236,166)	(777,370)
Additions net of donated equipment	6,981,856	40,283,681
Less:		
Building/construction in progress financed with donations	(1,338,669)	(2,771,514)
Building/construction in progress financed with contributions from the Students' Association	(259,701)	(11,906,568)
Other capital assets financed with capital contributions	(2,128,244)	(3,631,455)
Capital assets purchased with College funds	3,255,242	21,974,144
External financing:		
(Increase) decrease in long-term debt	5,852,418	(19,434,975)
Decrease in Ontario Financing Authority	-	15,131,580
Amortization of deferred capital contributions	8,299,156	8,024,264
Amortization of capital assets	(15,451,829)	(14,728,114)
Write-off of capital assets	(68,955)	(82,826)
Amounts relating to disposal of buildings		
Net change in investment in capital assets	1,886,032	10,884,073

## 15. Capital disclosures

### *Capital*

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

The College also considers its endowments, as disclosed in Notes 7 and 16, as part of its capital. The College's objective with regard to endowments is to grow the endowment principal and maximize investment income to increase funding for student aid.

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

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

# The Algonquin College of Applied Arts and Technology

Notes to the consolidated financial statements  
March 31, 2014

## 15. Capital disclosures (continued)

### *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.

Internally restricted assets consist of the following:

	2014	2013
	\$	\$
Appropriations	1,000,000	2,195,444
Specific reserves:		
Other projects and initiatives	18,317,840	19,479,862
Ancillary services reserve fund	5,603,278	5,642,416
Contingency reserve fund	7,607,000	4,500,000
Employment stabilization funds	516,546	470,004
Other student aid	26,593	17,781
Reserve fund:		
Future capital expansion	23,883,666	20,333,299
<b>Balance, end of year</b>	<b>56,954,923</b>	<b>52,638,806</b>

## 16. Financial instruments

### *Interest rate risk*

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The College is exposed to interest rate risk with respect to its interest-bearing investments, long-term debt and interest rate swaps.

As at March 31, 2014, a 1% increase in nominal interest rates would result in a decline of investments of approximately \$951,314 (March 31, 2013 - \$1,165,111) and an appreciation of the interest rate swap's fair value of approximately \$2,883,515 (March 31, 2013 - \$2,827,219). Conversely, a 1% decrease in nominal interest rates would result in an increase of investments of approximately \$970,833 (March 31, 2013 - \$1,290,532) and a decrease of the interest rate swap's fair value of approximately \$3,101,723 (March 31, 2013 - \$2,827,219). These amounts do not include other variables such as convexity.

### *Price risk*

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The College is exposed to price risk with respect to its equity investments.

As at March 31, 2014, a 5% increase in price would result in an increase of investments of approximately \$585,574 (March 31, 2013 - \$612,006).

### *Currency risk*

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The College believes that it is not exposed to significant currency risks arising from its financial instruments.

# The Algonquin College of Applied Arts and Technology

Notes to the consolidated financial statements  
March 31, 2014

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## 16. Financial instruments (continued)

### *Credit risk*

Credit risk arises from the potential that counterparty to an investment will fail to perform its obligations. The College is exposed to credit risk on its accounts receivable and its investments. The maximum exposure to credit risk is the carrying value reported in the statement of financial position. 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.

Concentrations of amounts receivable are described in Note 4. Credit risk on endowment investments is also mitigated by the College's investment policy as described in Note 13. Primary credit portfolio concentrations on investments are detailed in Notes 3 and 7.

### *Liquidity risk*

Liquidity risk is the risk that the College will not be able to meet all cash flow obligations as they come due. The College mitigates this risk by monitoring cash activities and expected outflows through extensive budgeting and cash flow analysis. The College has the following financial liabilities as at March 31, 2014:

	Net book value	2015	2016	2017 and after
	\$	\$	\$	\$
Accounts payable and accrued liabilities	14,530,902	14,530,902	-	-
Accrued salaries and employee deduction payable	5,785,363	5,785,363	-	-
Long-term debt	59,007,649	2,449,163	2,598,799	53,959,687
Interest rate swaps	9,930,830	-	-	9,930,830
	89,254,744	22,765,428	2,598,799	63,890,517

### *Fair values*

The carrying values of cash and cash equivalents, 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 carrying value of long-term debt approximates fair value as interest is charged at a variable market rate.

### *Fair value hierarchy*

Financial instruments are grouped into Levels 1 to 3 based on the degree to which fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and,
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

# The Algonquin College of Applied Arts and Technology

Notes to the consolidated financial statements  
March 31, 2014

## 16. Financial instruments (continued)

### *Fair value hierarchy (continued)*

The fair value hierarchy requires the use of observable market inputs whenever such inputs exist. A financial instrument is classified to the lowest level of the hierarchy for which a significant input has been considered in measuring fair value.

The following table presents the financial instruments recorded at fair value in the Statement of financial position, classified using the fair value hierarchy described above:

				2014
	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Cash and cash equivalents	31,311,471	-	-	31,311,471
Short-term investments	-	21,350,896	-	21,350,896
Long-term investments	525,760	28,696,392	-	29,222,152
Endowment assets	12,740,534	8,069,566	-	20,810,100
Interest rate swaps	-	9,930,830	-	9,930,830
<b>Total</b>	<b>44,577,765</b>	<b>68,047,684</b>	<b>-</b>	<b>112,625,449</b>

				2013
	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Cash and cash equivalents	27,284,600	-	-	27,284,600
Short-term investments	-	9,276,932	-	9,276,932
Long-term investments	497,793	36,944,088	-	37,441,881
Endowment assets	12,236,081	5,674,855	-	17,910,936
Interest rate swaps	-	13,722,914	-	13,722,914
<b>Total</b>	<b>40,018,474</b>	<b>65,618,789</b>	<b>-</b>	<b>105,637,263</b>

# The Algonquin College of Applied Arts and Technology

Notes to the consolidated financial statements  
March 31, 2014

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## 17. Changes in non-cash operating working capital items

	2014	2013
	\$	\$
Decrease in accounts receivable	3,349,826	10,689,984
Increase in inventory	(92,115)	(262,449)
Decrease in prepaid expenses	392,556	409,254
Increase (decrease) in accounts payable and accrued liabilities	275,302	(14,661,058)
Increase in accrued salaries and employee deduction payable	30,729	549,132
Increase in deferred revenue	1,606,789	3,592,639
	<b>5,563,087</b>	<b>317,502</b>

## 18. Comparative figures

The comparative figures for tuition fees and related deferred revenue have been reclassified to conform to the current year's financial statement presentation.

# The Algonquin College of Applied Arts and Technology

Supplementary information - Revenue - Schedule A  
year ended March 31, 2014

	2014	2013
	\$	\$
Grants and reimbursements:		
Post secondary activity	93,515,587	92,349,708
Apprentice programs	5,084,687	4,824,387
Special bursaries	1,450,376	1,415,100
	<b>100,050,650</b>	<b>98,589,195</b>
Student tuition fees:		
Full-time post secondary	71,903,247	64,719,261
Full-time non-funded	1,704,629	1,609,383
Part-time	11,155,033	11,528,449
Adult training	1,238,959	1,676,147
Student information technology and mobile computing fee	6,624,290	4,528,220
	<b>92,626,158</b>	<b>84,061,460</b>
Contract educational services:		
Provincially funded programs	13,335,012	15,899,305
International programs	446,138	364,939
Corporate and other programs	15,732,157	13,628,390
	<b>29,513,307</b>	<b>29,892,634</b>
Ancillary operations (Schedule B)	<b>35,396,086</b>	<b>34,295,089</b>
Other:		
Early Learning Centre	907,154	902,124
Student ancillary fees	5,113,165	5,069,232
Investment income	1,200,484	1,674,255
Investment income Algonquin - College Saudi Arabia	(730,229)	
Miscellaneous	8,907,966	7,982,813
	<b>15,398,540</b>	<b>15,628,424</b>
Amortization of deferred capital contributions (Note 12)	8,299,156	8,024,264
<b>Total revenue</b>	<b>281,283,897</b>	<b>270,491,066</b>

\*Note 1 - Values for 2013 'Full-time post secondary' and 'Part-time' tuition fees have changed.  
\$376,049 in part-time international premium's was moved from 'Full-time post secondary'  
to 'Part-time'.

# The Algonquin College of Applied Arts and Technology

Supplementary information - Ancillary operations summary - Schedule B  
year ended March 31, 2014

	2014							
	Gross revenue	Internal revenue	Net revenue	Expenses	Internal expenses	Net expenses	Contribution including internal transactions	Contribution net of internal transactions
	\$	\$	\$	\$	\$	\$	\$	\$
Food services	9,269,060	(381,076)	8,887,984	8,966,925	(381,076)	8,585,849	302,135	302,135
Bookstore	15,520,596	(1,946,221)	13,574,375	14,659,974	(1,838,303)	12,821,671	860,622	752,704
Parking and lockers	4,471,110	(473,285)	3,997,825	1,569,285	(166,115)	1,403,170	2,901,825	2,594,655
Publishing centre	1,857,287	(1,697,601)	159,686	1,626,569	(1,486,720)	139,849	230,718	19,837
Residence	8,706,112	-	8,706,112	7,623,608	-	7,623,608	1,082,504	1,082,504
Director's office	70,104	-	70,104	700,244	-	700,244	(630,140)	(630,140)
Overhead allocation	-	-	-	-	(1,590,273)	(1,590,273)	-	1,590,273
<b>Total</b>	<b>39,894,269</b>	<b>(4,498,183)</b>	<b>35,396,086</b>	<b>35,146,605</b>	<b>(5,462,487)</b>	<b>29,684,118</b>	<b>4,747,664</b>	<b>5,711,968</b>

	2013							
	Gross revenue	Internal revenue	Net revenue	Expenses	Internal expenses	Net expenses	Contribution including internal transactions	Contribution net of internal transactions
	\$	\$	\$	\$	\$	\$	\$	\$
Food services	8,748,862	(363,475)	8,385,387	8,820,536	(363,476)	8,457,060	(71,674)	(71,673)
Bookstore	16,051,473	(2,881,371)	13,170,102	15,235,277	(2,734,857)	12,500,420	816,196	669,682
Parking and lockers	4,430,834	(538,886)	3,891,948	1,627,793	(197,975)	1,429,818	2,803,041	2,462,130
Publishing centre	1,867,729	(1,655,098)	212,631	1,456,272	(1,290,483)	165,789	411,457	46,842
Residence	8,562,153	-	8,562,153	7,402,226	-	7,402,226	1,159,927	1,159,927
Director's office	72,868	-	72,868	573,087	-	573,087	(500,219)	(500,219)
Overhead allocation	-	-	-	-	(1,859,636)	(1,859,636)	-	1,859,636
<b>Total</b>	<b>39,733,919</b>	<b>(5,438,830)</b>	<b>34,295,089</b>	<b>35,115,191</b>	<b>(6,446,427)</b>	<b>28,668,764</b>	<b>4,618,728</b>	<b>5,626,325</b>