

Consolidated financial statements of

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

March 31, 2022

The Algonquin College of Applied Arts and Technology

March 31, 2022

Table of contents

Management's Letter of Responsibility	1
Independent Auditor's Report	2-3
Consolidated statement of financial position	4
Consolidated statement of operations	5
Consolidated statement of changes in net assets	6
Consolidated statement of remeasurement gains and losses	7
Consolidated statement of cash flow	8
Notes to the consolidated financial statements	9-28
Supplementary information - Revenue - Schedule A	29
Supplementary information – Campus Services operations summary - Schedule B	30

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The consolidated financial statements of the Algonquin College of Applied Arts and Technology (the "College") are the responsibility of management and have been approved by the Board of Governors.

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards for government not-for-profit organizations, including the 4200 series of standards, as issued by the Public Sector Accounting Board ("PSAS for Government NPOs"). When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. Consolidated financial statements are not precise since they include certain amounts based on estimates and judgements. Management has determined such amounts on a reasonable basis in order to ensure that the consolidated financial statements are presented fairly, in all material respects.

The College maintains systems of internal accounting and administrative controls of high quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and that the College's assets are appropriately accounted for and adequately safeguarded.

The College's insurance liabilities have been reviewed by management in consultation with its broker. There are no material liabilities in either fact or contingency as at the date of this report.

The Board of Governors is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the consolidated financial statements. The Board carries out this responsibility principally through its Audit and Risk Management Committee.

The Audit and Risk Management Committee is appointed by the Board of Governors and meets regularly with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy itself that each party is properly discharging its responsibilities, and to review the consolidated financial statements and the external auditor's report. The Committee reports its findings to the Board for consideration when approving the consolidated financial statements. The Committee also considers, for review and approval by the Board, the engagement or re-appointment of the external auditors.

The consolidated financial statements have been audited by BDO Canada LLP, the external auditors, in accordance with Canadian generally accepted auditing standards, on behalf of the Board. BDO Canada LLP has full and free access to the Audit and Risk Management Committee.



Claude Brulé
President and CEO



Grant Perry
Chief Financial Officer

June 6, 2022

Independent Auditor's Report

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

Opinion

We have audited the 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, 2022, and the consolidated statements of operations, the consolidated statement of changes in net assets, the consolidated statement of cash flows and the consolidated statement of remeasurement gains and losses for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the College as at March 31, 2022, and its consolidated results of operations, its consolidated cash flows, and its consolidated remeasurement gains and losses for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the College in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance 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, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the College's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the College or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the College's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Independent Auditor's Report (continued)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (continued)

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 College's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the College's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the College to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants

Oakville, Ontario
June 7, 2022

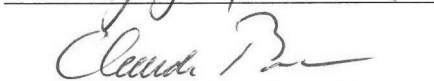
The Algonquin College of Applied Arts and Technology

Consolidated statement of financial position
as at March 31, 2022

	2022	2021
	\$	\$
Assets		
Current assets		
Cash	73,325,337	56,850,772
Short-term investments (Note 3)	25,461,101	39,176,375
Accounts receivable (Note 4)	26,817,744	45,533,147
Inventory (Note 5)	1,935,973	1,995,344
Prepaid expenses	5,537,826	4,864,474
	133,077,981	148,420,112
Investments (Note 3)	37,155,174	25,348,583
Long Term Prepaid - Students' Association	5,500,000	5,500,000
Endowment assets (Note 6a)	35,382,557	34,137,171
Capital assets (Note 7)	287,509,837	289,121,869
	498,625,549	502,527,735
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	30,315,379	28,656,348
Accrued salaries and employee deductions payable	10,901,285	9,923,513
Deferred revenue (Note 8)	57,964,938	52,622,355
Current portion of long-term debt (Note 9a)	3,845,715	3,621,957
	103,027,317	94,824,173
Long-term debt (Note 9a)	32,338,554	36,184,267
Interest rate swaps (Note 9b)	2,212,215	4,203,280
Vacation, sick leave and post-employment benefits (Note 10)	18,807,822	18,225,361
Deferred capital contributions (Note 11)	147,554,107	152,517,241
	303,940,015	305,954,322
Commitments and guarantees and contingencies (Note 12)		
Net assets (deficiency)		
Unrestricted	1,000,000	1,000,000
Investment in capital assets (Note 13)	103,771,460	96,798,404
Vacation, sick leave and post-employment benefits (Note 10)	(18,807,822)	(18,225,361)
Internally restricted (Note 14)	76,737,008	86,834,670
Endowment fund (Note 6b)	35,382,557	34,137,171
	198,083,203	200,544,884
Accumulated remeasurement losses	(3,397,669)	(3,971,470)
	194,685,534	196,573,414
	498,625,549	502,527,735

Approved by the Board

 Chair

 Member

See accompanying notes to the financial statements.

The Algonquin College of Applied Arts and Technology

Consolidated statement of operations
as at March 31, 2022

	2022	2021
	\$	\$
Revenue (Schedule A)		
Grants and reimbursements	113,666,798	117,229,389
Student tuition fees	140,200,388	135,804,391
Contract educational services	58,026,629	48,526,468
Campus Services (Schedule B)	16,830,277	12,112,045
Other	18,941,068	18,541,406
Amortization of deferred capital contributions (Note 11)	7,531,482	7,638,474
	355,196,642	339,852,173
Expenses		
Salaries and benefits	216,212,498	207,233,991
Building maintenance and utilities	19,814,650	15,437,960
Instructional supplies and equipment	7,898,184	5,027,365
Bursaries and other student aid	9,513,249	8,077,388
Interest	659,239	698,527
Amortization and write off of capital assets (Note 13)	15,606,993	16,320,502
Campus Services (Schedule B)	14,511,027	14,144,244
Other	74,105,406	72,040,144
	358,321,246	338,980,121
Change in vacation, sick leave and post-employment benefits liabilities (Note 10)	582,463	(2,022,351)
Total Expenses	358,903,709	336,957,770
(Deficiency) / excess of revenue over expenses	(3,707,067)	2,894,403

See accompanying notes to the financial statements.

The Algonquin College of Applied Arts and Technology

Consolidated statement of changes in net assets
as at March 31, 2022

	Unrestricted	Investment in capital assets	Vacation, sick leave and post-employment benefits	Internally restricted	Endowment fund	2022	2021
	\$	\$	\$	\$	\$	\$	\$
		(Note 13)	(Note 10)	(Note 14)	(Note 6)		
Net assets (deficiency), beginning of year	1,000,000	96,798,404	(18,225,361)	86,834,670	34,137,171	200,544,884	190,456,794
(Deficiency) excess of revenue over expenses	(3,707,067)	-	-	-	-	(3,707,067)	2,894,403
Change in vacation, sick leave and post-employment benefits liabilities (Note 10)	582,461	-	(582,461)	-	-	-	-
Fund Transfers	10,097,662	-	-	(10,097,662)	-	-	-
Net change in investment in capital assets (Note 13)	(6,973,056)	6,973,056	-	-	-	-	-
Endowment contributions and investment income (Note 6)	-	-	-	-	1,245,386	1,245,386	7,193,687
Net assets (deficiency), end of year	1,000,000	103,771,460	(18,807,822)	76,737,008	35,382,557	198,083,203	200,544,884

See accompanying notes to the financial statements.

The Algonquin College of Applied Arts and Technology

Consolidated statement of remeasurement gains and losses
as at March 31, 2022

	2022	2021
	\$	\$
Accumulated remeasurement losses, beginning of year	(3,971,470)	(5,408,068)
Unrealized gains (losses) attributable to:		
Fair value change in unrestricted investments	(1,185,454)	231,810
Interest rate swaps	1,991,065	996,425
	805,611	1,228,235
Realization of prior year (gains) / losses	(231,810)	208,363
	573,801	1,436,598
Accumulated remeasurement losses, end of year	(3,397,669)	(3,971,470)

See accompanying notes to the financial statements.

The Algonquin College of Applied Arts and Technology

Consolidated statement of cash flow as at March 31, 2022

	2022	2021
	\$	\$
Operating activities		
(Deficiency) / excess of revenue over expenses	(3,707,067)	2,894,403
Items not affecting cash		
Amortization of capital assets	15,606,993	16,320,502
Adjustment to capital assets	39,320	12,000
Write off of Investment (liability) in Algonquin College - Saudi Arabia	-	(257,032)
Fair value change in unrestricted investments	(1,185,453)	231,810
Realization of prior year unrealized (gains) losses	(231,810)	208,363
Amortization of deferred capital contributions	(7,531,482)	(7,638,474)
Change in vacation, sick leave and post-employment benefits liabilities (Note 10)	582,461	(2,022,351)
	3,572,962	9,749,221
Changes in non-cash operating working capital items (Note 16)	26,080,811	340,696
	29,653,773	10,089,917
Financing activities		
Principal repayments of long-term debt	(3,621,957)	(2,063,336)
	(3,621,957)	(2,063,336)
Capital activities		
Capital asset additions (Note 13)	(13,689,544)	(9,927,824)
Capital contributions received (Note 11)	2,223,613	438,654
	(11,465,931)	(9,489,170)
Investing activities		
Proceeds on disposal of investments	73,673,738	39,983,307
Purchases of investments	(71,765,058)	(41,345,271)
	1,908,680	(1,361,964)
Increase in cash and cash equivalents	16,474,564	(2,824,553)
Cash and cash equivalents, beginning of year	56,850,772	59,675,325
Cash and cash equivalents, end of year	73,325,337	56,850,772
Interest paid in the year	2,266,538	2,419,739

The Algonquin College of Applied Arts and Technology

Notes to the consolidated financial statements

March 31, 2022

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 of the College have been prepared by management in accordance with Canadian public sector accounting standards for Government Not-for-Profit Organizations (NPOs), including the 4200 series of standards, as issued by the Public Sector Accounting Board ("PSAB for Government NPOs") 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 subsidiary, 2364193 Ontario Inc., which is fully consolidated in these consolidated 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 or deferred.

- 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.

The Algonquin College of Applied Arts and Technology

Notes to the consolidated financial statements

March 31, 2022

2. Significant accounting policies (continued)

b) Revenue (continued)

- 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 consolidated statement of remeasurement gains and losses; once realized, these gains and losses are recognized in the consolidated statement of operations.

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 consolidated statement of financial position of the College are classified as follows:

Cash	Fair value
Short-term investments	Fair value
Accounts receivable	Amortized cost
Investments	Fair value
Endowment investments	Fair value
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

Fair value for investments is determined using quoted market prices. The College has designated its fixed income securities that would otherwise be classified into the amortized cost category at fair value as the College manages and reports the performance on a fair value basis.

i. Cash

Cash is 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 within the next fiscal year.

Unrealized gains or losses on unrestricted investments, including the related foreign exchange gains or losses are recorded in the consolidated statement of remeasurement gains and losses; once realized, they are derecognized from the consolidated statement of remeasurement gains and losses and recognized in the consolidated statement of operations.

The Algonquin College of Applied Arts and Technology

Notes to the consolidated financial statements

March 31, 2022

2. Significant accounting policies (continued)

d) *Financial instruments (continued)*

iii. *Endowed investments*

Realized investment income and unrealized gains or losses from the change in fair value are recorded directly to the endowment fund in the consolidated statement of changes in net assets. 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 consolidated statement of financial position date.

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.

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

e) *Other financial instruments*

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

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. Land originally acquired at the Ottawa campus is recorded at a nominal value of \$1 with subsequent additions recorded at cost. Land is not amortized due to its infinite life.

iii. Works of Art are recorded at a fair market value appraisal. These capital assets are not subject to amortization as it is assumed that they will retain their value over time.

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.

vi. Assets under development are not amortized until the asset is complete and ready for use.

The Algonquin College of Applied Arts and Technology

Notes to the consolidated financial statements

March 31, 2022

2. Significant accounting policies (continued)

g) *Capital assets (continued)*

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
Parking lots	10 years
Equipment, and computers	5 years
Automotive equipment	5 years
Software	3-10 years

h) *Expenses*

In the consolidated statement of operations, the College presents its expenses by object, except for Campus 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, as well as 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 and interest rate swaps, the allowance for doubtful accounts, the amount of certain accrued liabilities, the estimated useful lives of tangible capital assets and the assumptions underlying the post-employment benefit liabilities calculations.

The Algonquin College of Applied Arts and Technology

Notes to the consolidated financial statements

March 31, 2022

3. Investments

Short-term investments of \$25,461,101 (2021 - \$39,176,375) consist entirely of fixed income securities that will be maturing within a year. Long-term investments consist of the following:

	2022	2021
	\$	\$
Fixed income securities	36,822,893	25,195,352
Equity instruments	332,281	153,231
	37,155,174	25,348,583

The College's fixed income securities have effective interest rates ranging from 1.00% to 3.90% and maturity dates ranging from June 2022 to June 2027 (2021 - 0.75% to 4.25% and maturity dates ranging from April 2021 to June 2027).

4. Accounts receivable

	2022	2021
	\$	\$
Government of Ontario	3,207,414	10,985,767
Harmonized Sales Tax receivable	1,976,454	1,065,091
Trade	11,719,823	13,889,634
Students	5,949,455	7,037,034
Other	6,006,943	15,184,998
Allowance for doubtful accounts	(2,042,345)	(2,629,377)
	26,817,744	45,533,147

Details on due dates for receivables are as follows:

The Algonquin College of Applied Arts and Technology

Notes to the consolidated financial statements

March 31, 2022

4. Accounts receivable (continued)

	2022				
	0-30 days	31-60 days	61-90 days	Over 90 days	Total
	\$	\$	\$	\$	\$
Government of Ontario	3,207,414	-	-	-	3,207,414
Harmonized Sales Tax receivable	1,976,454	-	-	-	1,976,454
Trade	8,377,893	235,429	1,355,742	1,750,759	11,719,823
Students	1,202,998	2,161,788	-	2,584,669	5,949,455
Other	6,003,964	-	-	2,979	6,006,943
Allowance for doubtful accounts	-	(389,122)	-	(1,653,223)	(2,042,345)
	20,768,723	2,008,095	1,355,742	2,685,184	26,817,744

	2021				
	0-30 days	31-60 days	61-90 days	Over 90 days	Total
	\$	\$	\$	\$	\$
Government of Ontario	10,985,767	-	-	-	10,985,767
Harmonized Sales Tax receivable	1,065,091	-	-	-	1,065,091
Trade	13,575,784	97,585	60,530	155,735	13,889,634
Students	189,107	3,937,183	-	2,910,744	7,037,034
Other	15,176,619	-	-	8,379	15,184,998
Allowance for doubtful accounts	-	(708,693)	-	(1,920,684)	(2,629,377)
	40,992,368	3,326,075	60,530	1,154,174	45,533,147

5. Inventory

	2022	2021
	\$	\$
Bookstore	1,680,252	1,653,124
Food services	197,837	145,418
Publishing centre	17,851	21,314
Hospitality	25,633	20,674
Personal Protective Equipment	14,400	154,814
	1,935,973	1,995,344

Included in Campus Services expenses is inventory expensed during the year in the amount of \$6,194,369 (2021 - \$5,880,997).

The Algonquin College of Applied Arts and Technology

Notes to the consolidated financial statements

March 31, 2022

6. Endowment investments

- a) Endowment investments 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 investments consist of the following:

Fair value

	2022	2021
	\$	\$
Endowed investments :		
Cash equivalents	1,198,472	1,694,869
Bonds	10,809,393	10,488,100
Equities	23,374,692	21,954,202
	<u>35,382,557</u>	<u>34,137,171</u>

Cost

	2022	2021
	\$	\$
Endowed investments :		
Cash equivalents	1,190,555	1,684,472
Bonds	12,210,135	11,130,668
Equities	19,036,421	17,943,282
	<u>32,437,111</u>	<u>30,758,422</u>

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 bonds, corporate bonds with a minimum credit rating of BBB, and cash equivalents.

The bond amounts are invested in a pooled fixed-income fund.

The Algonquin College of Applied Arts and Technology

Notes to the consolidated financial statements

March 31, 2022

6. Endowment investments (continued)

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.

- 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:

	2022	2021
	\$	\$
Opening balance	34,137,171	26,943,484
Contributions	441,027	330,933
Realized investment income	2,290,680	6,311,622
Distributions	(1,053,019)	(1,036,565)
Net contribution to Endowment Fund	1,678,688	5,605,990
Change in unrealized gains (losses) due to changes in fair value of endowment assets	(433,302)	1,587,697
Net change in Endowment Fund	1,245,386	7,193,687
Ending balance	35,382,557	34,137,171

The College's endowment policy is to annually distribute investment income equal to 5% of the Endowment Fund's book value at the end of the preceding fiscal year. The policy requires 4% to be distributed as student financial aid and 1% to cover a portion of fundraising expenses. 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, 2022, the Endowment Fund assets included a balance of \$10,100,425 (2021 - \$8,862,764) which represents the cumulative realized investment income in excess of amounts distributed. The changes during the year are as follows:

	2022	2021
	\$	\$
Amount available for future distribution, beginning of year	8,862,764	3,587,707
Realized investment income	2,290,680	6,311,622
Amount distributed	(1,053,019)	(1,036,565)
Amount available for future distribution, end of year	10,100,425	8,862,764

The Algonquin College of Applied Arts and Technology

Notes to the consolidated financial statements

March 31, 2022

7. Capital assets

	2022		
	Cost	Accumulated amortization	Net book value
	\$	\$	\$
Land	5,370,626	-	5,370,626
Buildings	369,675,763	141,479,819	228,195,944
Work in progress	18,045,587	-	18,045,587
Site improvements	51,190,742	29,338,909	21,851,833
Parking lots	926,213	926,213	-
Computers and equipment	36,715,899	31,976,334	4,739,565
Automotive equipment	403,787	309,283	94,504
Software	14,160,503	5,012,225	9,148,278
Works of Art	63,500	-	63,500
	496,552,620	209,042,783	287,509,837

	2021		
	Cost	Accumulated amortization	Net book value
	\$	\$	\$
Land	5,370,626	-	5,370,626
Buildings	365,398,519	132,838,089	232,560,430
Work in progress	10,620,989	-	10,620,989
Site improvements	50,853,296	26,262,155	24,591,141
Parking lots	926,213	926,213	-
Computers and equipment	40,302,105	35,132,761	5,169,344
Automotive equipment	337,990	275,573	62,417
Software	14,160,503	3,477,081	10,683,422
Works of Art	63,500	-	63,500
	488,033,741	198,911,872	289,121,869

Assets under development are comprised of construction in progress and software under development.

The Algonquin College of Applied Arts and Technology

Notes to the consolidated financial statements

March 31, 2022

8. Deferred revenue

Details of the year-end balance are as follows:

	2022	2021
	\$	\$
Student tuition fees	46,460,821	39,749,108
Grant and reimbursements	445,585	2,159,888
Contract education services	2,086,820	3,519,870
Student aid	2,354,304	1,877,741
Miscellaneous projects	6,617,408	5,315,748
	57,964,938	52,622,355

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, equipment and programs.

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

The Algonquin College of Applied Arts and Technology

Notes to the consolidated financial statements

March 31, 2022

9. Long-term debt and interest rate swaps

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:

	2022	2021
	\$	\$
Residence I building loan, bearing real interest rate of 8.05% maturing in 2025, with average monthly payments of \$95,011	3,946,910	4,737,361
Residence II building loan, bearing real interest rate of 7.7% maturing in 2027, with average monthly payments of \$126,783	6,642,072	7,612,022
Residence III building loan, bearing real interest rate of 6.97% maturing in 2029, with average monthly payment of \$122,836	8,225,144	9,093,500
Police and Public Safety Institute loan, bearing real interest rate of 7.65% maturing in 2025, with average monthly payments of \$34,928	1,460,800	1,756,093
Student Commons Loan, bearing interest at 4.008%, maturing in 2037, with semi-annual payments of \$678,301	15,909,343	16,607,248
	36,184,269	39,806,224
Less current portion	(3,845,715)	(3,621,957)
	32,338,554	36,184,267

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

	\$
2023	3,845,715
2024	4,083,732
2025	4,336,936
2026	4,853,249
2027	4,076,548
Thereafter	14,988,089
	36,184,269

The Algonquin College of Applied Arts and Technology

Notes to the consolidated financial statements
March 31, 2022

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

b) *Interest rate swaps*

The College has interest rate swap agreements to manage the volatility of interest rates. The College converted a net notional \$59.0 million (2021 - \$59.0 million) of floating rate long-term debt relating to the three phases of the Residence and the Police and Public Safety Institute. The fixed rates received under the interest rate swaps range from 5.97% to 6.95% (2021- 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 in favour of the counterparty at March 31, 2022 is \$2,212,215 (2021 - \$4,203,280).

10. 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. Since the Plan is a multi-employer plan, the College's contributions are accounted for as if the plan were a defined contribution plan with the College's contributions being expensed in the period they come due.

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 most recent actuarial valuation filed with pension regulators as at December 31, 2021 indicated an actuarial surplus of \$4,369 million (December 31, 2020 - \$3,270 million).

Contributions to the Plan and its associated retirement compensation arrangement made during the year by the College on behalf of its employees amounted to \$17,845,827 (2021 - \$17,011,278) and are included in salaries and benefits in the consolidated 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 valuations of post-employment benefits were completed by the Plan's Actuary as of March 31, 2022 for the continuation of medical and dental benefits and as of February 8, 2022 for life insurance benefits. The life insurance benefits valuation was extrapolated for accounting purposes to March 31, 2022.

The Algonquin College of Applied Arts and Technology

Notes to the consolidated financial statements

March 31, 2022

10. Employee benefits plans (continued)

b) Post-employment benefits (continued)

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:

	2022	2021
	%	%
Discount rate for prior fiscal disclosure and current fiscal benefit cost	1.70%	1.60%
Discount rate for current fiscal disclosure	2.90%	1.70%
Dental cost and premium increase for post employment benefits	4.00%	4.00%
Medical premium escalation	6.29% in 2020 decreasing to 4.0% by 2040	6.42% in 2020 decreasing to 4.0% by 2040
Expected return on assets for benefit cost	0.85%	0.85%
Expected return on assets for disclosure	1.50%	[not provided]

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

	2022	2021
	\$	\$
Post-employment benefits	2,910,000	2,538,440
Vacation	10,420,822	10,320,921
Sick leave	5,477,000	5,366,000
	18,807,822	18,225,361

The employee future benefit liability change for the year ended March 31, 2022 is an increase of \$582,461 (2021 - decrease of \$2,022,351). This amount is comprised of:

	2022	2021
	\$	\$
Current year service cost	516,000	886,000
Interest expense on accrued benefit obligation	137,000	127,000
Amortization of actuarial (gain) loss	159,000	153,000
Benefit payments made by the College during the year	(229,539)	(3,188,351)
	582,461	(2,022,351)

The Algonquin College of Applied Arts and Technology

Notes to the consolidated financial statements

March 31, 2022

11. 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 consolidated statement of operations.

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

	2022	2021
	\$	\$
Balance, beginning of year	152,517,241	159,717,061
Less amortization of deferred capital contributions	(7,531,482)	(7,638,474)
	144,985,759	152,078,587
Add capital contributions received :		
Government contributions:		
Other capital projects	1,987,425	172,550
Apprenticeship Enhancement Fund	236,188	144,780
Facilities Renewal	-	121,324
Contributions received before donated equipment	2,223,613	438,654
Donated equipment	344,735	-
	2,568,348	438,654
Balance, end of year	147,554,107	152,517,241

12. Commitments, guarantees and contingencies

Commitments

The College has committed to make the following minimum payments under various vehicle, premises rental, equipment leases, including the ESCOII agreement, and subscription agreements. Under the ESCOII agreement, the College has engaged in a tri-party agreement with Siemens and Manulife in which the College agreed to pay Manulife energy savings derived under the ESCO agreement for the facility improvement measures implemented. The anticipated payments in each of the next five years and thereafter in aggregate under current arrangements are as follows:

	\$
2023	7,296,156
2024	7,034,623
2025	3,608,784
2026	3,060,560
2027	2,591,823
Thereafter	31,070,688
	54,662,634

The Algonquin College of Applied Arts and Technology

Notes to the consolidated financial statements

March 31, 2022

12. Commitments, guarantees and contingencies (continued)

Letters of credit

The College is contingently liable under letters of credit amounting to \$1,775,704 (2021 - \$2,007,944), which have been issued in the normal course of business.

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.

13. Investment in capital assets

The investment in capital assets consists of the following:

	2022	2021
	\$	\$
Capital assets	287,509,837	289,121,869
Less amounts financed by :		
Deferred capital contributions-used (Note 11)	(147,554,107)	(152,517,241)
Long-term debt	(36,184,269)	(39,806,224)
	103,771,460	96,798,404

The Algonquin College of Applied Arts and Technology

Notes to the consolidated financial statements
March 31, 2022

13. Investment in capital assets (continued)

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

	2022	2021
	\$	\$
Capital asset additions :		
Total additions	14,034,282	9,927,824
Less :		
Donated equipment	(344,738)	-
Additions net of donated equipment	13,689,544	9,927,824
Less :		
Other capital assets financed with capital contributions	(2,223,612)	(438,654)
Capital assets purchased with College funds	11,465,931	9,489,170
External financing:		
Decrease in long-term debt	3,621,955	2,063,336
Amortization of deferred capital contributions	7,531,482	7,638,474
Amortization of capital assets	(15,606,993)	(16,320,502)
Adjustment of capital assets	(39,320)	(12,000)
Net change in investment in capital assets	6,973,055	2,858,478

14. Capital disclosures

Capital

The College considers its operating capital to consist of long-term debt including the interest rate swaps, 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 Note 6 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 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, 2022

14. 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 net assets consist of the following:

	2022	2021
	\$	\$
Specific reserves:		
Other projects and initiatives	36,417,784	46,552,121
Campus Services reserve fund	286,755	659,334
Contingency reserve fund	9,449,000	8,873,000
Employment stabilization funds	589,143	595,121
Reserve funds:		
Future capital expansion	27,552,468	27,731,293
Gain on sale of March Road land	2,441,858	2,423,801
Balance, end of year	\$ 76,737,008	\$ 86,834,670

During the year the Board of Governors approved the net transfer of \$10,097,662 from internally restricted net assets to the unrestricted fund (2021 – net transfer of \$1,986,426 from internally restricted net assets to the unrestricted fund).

15. 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 and its long-term debt. The College mitigates interest rate risk on certain long-term debt through derivative interest-rate swap agreements which exchange the variable rate inherent in the loan for a fixed rate (Note 10b). As a result, fluctuations in market interest rates would not impact the future cash flows relating to these loans.

As at March 31, 2022, a 1% increase in nominal interest rates would result in a decline of investments of approximately \$1,045,997 (2021 - \$930,308) and an appreciation of the interest rate swap's fair value of approximately \$610,946 (2021 - \$915,897). Conversely, a 1% decrease in nominal interest rates would result in an increase of investments of approximately \$1,045,997 (2021 - \$930,308), and a decrease of the interest rate swap's fair value of approximately \$638,266 (2021 - \$964,129). These amounts do not include other variables such as convexity.

The Algonquin College of Applied Arts and Technology

Notes to the consolidated financial statements

March 31, 2022

15. Financial instruments (continued)

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 investments held in equity instruments.

As at March 31, 2022, a 5% increase in price would result in an increase to endowment assets of approximately \$1,168,734 (2021 - \$1,105,372).

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.

Credit risk

Credit risk arises from the potential that a counterparty to an investment will fail to perform its obligations. The College is exposed to credit risk on its accounts receivable and its fixed-income investments. The maximum exposure to credit risk is the carrying value reported in the consolidated 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 accounts receivable are described in Note 4. 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, 2022:

	Net book value	2023	2024	2025 and after
	\$	\$	\$	\$
Accounts payable and accrued liabilities	30,315,379	30,315,379	-	-
Accrued salaries and employee deduction payable	10,901,285	10,901,285	-	-
Long-term debt	36,184,269	4,083,732	4,336,936	27,763,601
Vacation, sick leave and post-employment benefits	18,807,822	18,807,822	-	-
	96,208,755	64,108,218	4,336,936	27,763,601

The Algonquin College of Applied Arts and Technology

Notes to the consolidated financial statements
March 31, 2022

15. Financial instruments (continued)

	Net book value	2022	2023	2021 and after
	\$	\$	\$	\$
Accounts payable and accrued liabilities	27,896,434	27,896,434	-	-
Accrued salaries and employee deduction payable	9,923,515	9,923,515	-	-
Long-term debt	39,806,225	3,845,715	4,083,732	28,254,820
Vacation, sick leave and post-employment benefits	18,225,361	18,225,361	-	-
	95,851,535	59,891,025	4,083,732	28,254,820

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 including the interest rate swaps approximates fair value.

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 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 consolidated statement of financial position, classified using the fair value hierarchy described above:

	Level 1	Level 2	Level 3	2022 Total
	\$	\$	\$	\$
Cash and cash equivalents	73,325,337	-	-	73,325,337
Short-term investments	-	25,461,101	-	25,461,101
Long-term investments	332,280	36,822,894	-	37,155,174
Endowment assets	22,336,690	13,045,867	-	35,382,557
Interest rate swaps	-	2,212,215	-	2,212,215
Total	95,994,307	77,542,077	-	173,536,384

The Algonquin College of Applied Arts and Technology

Notes to the consolidated financial statements
March 31, 2022

16. Changes in non-cash operating working capital items:

	2022	2021
	\$	\$
Increase in accounts receivable	18,715,403	(16,577,594)
Decrease in inventory	59,371	48,722
Increase in prepaid expenses	(673,352)	(276,052)
Increase in accounts payable and accrued liabilities	1,659,033	8,034,305
Increase in accrued salaries and employee deduction payable	977,773	1,580,759
Increase in deferred revenue	5,342,583	7,530,556
	26,080,811	340,696

17. COVID-19 Impact

On January 30, 2020, the World Health Organization ("WHO") announced a global health emergency because of a new strain of coronavirus, the "COVID-19 outbreak". In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally. On March 24, 2020 the College made the announcement to limit the access to its campuses and learning sites due to Public Health guidance. Two years later, the College administration decided that on May 1, 2022, it would lift most pandemic restrictions with some precautions to remain in place, such as masking, hand washing and encouraging physical distancing.

As the impacts of the COVID-19 pandemic continue, there could be further impact on the College, its students and its funding sources. College administration is actively monitoring the effect on its financial condition, liquidity, operations, suppliers, and its workforce. Given the daily evolution of the COVID-19 pandemic and the global responses to curb its spread, the College is not able to estimate the effects of the COVID-19 outbreak on its future results of operations, financial condition, or liquidity at this time.

The Algonquin College of Applied Arts and Technology

Supplementary information - Revenue - Schedule A
as at March 31, 2022

	2022	2021
	\$	\$
Grants and reimbursements:		
Post secondary activity	105,189,900	113,389,967
Apprentice programs	4,858,694	2,189,330
Special bursaries	3,618,204	1,650,092
	113,666,798	117,229,389
Student tuition fees:		
Full-time post secondary	118,653,470	115,622,583
Full-time non-funded	425,415	282,472
Part-time	12,507,018	11,997,418
Adult training	843,030	454,850
Student information technology fees	7,771,455	7,447,068
	140,200,388	135,804,391
Contract educational services:		
Provincially funded programs	35,029,233	30,275,117
International programs	650,673	312,497
Corporate and other programs	22,346,723	17,938,854
	58,026,629	48,526,468
Campus Services (Schedule B)	16,830,277	12,112,045
Other:		
Early Learning Centre	763,630	522,223
Student ancillary fees	6,089,837	5,743,064
Investment income	704,414	789,431
Miscellaneous	11,383,187	11,486,688
	18,941,068	18,541,406
Amortization of deferred capital contributions (Note 11)	7,531,482	7,638,474
Total revenue	355,196,642	339,852,173

The Algonquin College of Applied Arts and Technology

Supplementary information - Campus Services operations summary - Schedule B
as at March 31, 2022

	2022							
	Gross revenue	Internal revenue	Net revenue	Expenses	Internal expenses	Net expenses	Contribution including internal transactions	Contribution net of internal transactions
	\$	\$	\$	\$	\$	\$	\$	\$
Food services	2,472,391	(32,285)	2,440,106	2,803,715	(32,285)	2,771,430	(331,324)	(331,324)
Bookstore	8,563,815	(2,555,721)	6,008,094	7,864,534	(2,347,034)	5,517,500	699,281	490,594
Parking and lockers	1,602,745	(26,549)	1,576,196	638,661	(10,579)	628,082	964,084	948,114
Publishing centre	738,032	(703,487)	34,545	726,114	(692,126)	33,988	11,918	557
Residence	6,641,903	-	6,641,903	5,109,507	-	5,109,507	1,532,396	1,532,396
Director's office	129,433	-	129,433	685,185	-	685,185	(555,752)	(555,752)
Overhead allocation	-	-	-	-	(234,665)	(234,665)	-	234,665
Total	20,148,319	(3,318,042)	16,830,277	17,827,716	(3,316,689)	14,511,027	2,320,603	2,319,250

	2021							
	Gross revenue	Internal revenue	Net revenue	Expenses	Internal expenses	Net expenses	Contribution including internal transactions	Contribution net of internal transactions
	\$	\$	\$	\$	\$	\$	\$	\$
Food services	970,540	(26,571)	943,969	2,004,705	(26,571)	1,978,134	(1,034,165)	(1,034,165)
Bookstore	8,325,791	(1,935,038)	6,390,753	8,119,344	(1,887,057)	6,232,287	206,447	158,465
Parking and lockers	942,516	(18,132)	924,384	690,116	(13,276)	676,840	252,400	247,544
Publishing centre	476,364	(454,773)	21,591	853,647	(814,954)	38,693	(377,282)	(17,101)
Residence	3,706,584	-	3,706,584	4,761,708	-	4,761,708	(1,055,124)	(1,055,124)
Director's office	124,764	-	124,764	671,862	-	671,862	(547,099)	(547,099)
Overhead allocation	-	-	-	-	(215,280)	(215,280)	-	215,280
Total	14,546,559	(2,434,514)	12,112,045	17,101,382	(2,957,138)	14,144,244	(2,554,823)	(2,032,200)

See accompanying notes to the financial statements.