

Financial Statements of

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

Year ended March 31, 2007

THE SAULT COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Financial Statements

Year ended March 31, 2017

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and Advisors

Driving growth

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To the Board of Governors of
Sault College of Applied Arts and Technology

We have audited the statement of financial position of Sault College of Applied Arts and Technology as at March 31, 2007 and the statements of operations, changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the college's management. Our responsibility is to express an opinion on these financial statements based on

basis, evidence supporting the amounts and disclosures, and to assess the accounting principles used and significant estimates made by management. This includes assessing the overall financial statement presentation as well as evaluating the overall financial statement presentation.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the college as at March 31, 2007 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Chartered Accountants, Licensed Public Accountants

Sault Ste. Marie, Ontario

May 4, 2007

THE SAULT COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Statement of Financial Position

March 31, 2007, with comparative figures for 2006

| | 2007 | 2006 (restated) |
|--|---------------|--------------------|
| Current | | |
| Cash | \$ 7,437,640 | \$ 9,687,116 |
| Temporary investments (market value: \$ 9,396,239) | | |
| 2006, \$4,703,493) | 3,207,002 | 4,703,493 |
| 2007, \$4,193,239) | 642,430 | 049,546 |
| Prepaid expenses | 104,457 | 54,188 |
| | 19,421,077 | 17,166,099 |
| Fixed investments (note 2) | 2,600,000 | 2,390,550 |
| | 22,021,077 | 19,556,649 |
| | \$ 41,442,154 | \$ 37,122,748 |
| | \$ 70,007,000 | \$ 77,207,107 |
| Liabilities, Deferred Contributions and Net Assets | | |
| Current | | |
| Deferred Tuition Fees | 369,093 | 502,004 |
| Payable to the Ministry of Training, Colleges and Universities | 70,705 | 147,008 |
| Deferred contributions | 1,150,900 | 1,050,940 |
| Long-term obligations: | | |
| Capital leases and mortgage (note 8) | 4,164,475 | 4,526,408 |
| Employee future benefits | 769,000 | 868,000 |
| | 6,024,405 | 6,535,125 |
| Deferred contributions: | 1,150,900 | 1,050,940 |
| | 24,075,646 | 24,570,419 |
| Net assets : | | |
| Unrestricted (deficit): | | |
| Operating | 5,667,697 | 2,476,229 |
| Employment related | (4,537,794) | (4,731,047) |
| | 1,129,903 | (254,818) |
| Restricted for student success | 7,096,122 | 7,495,024 |
| | 8,920,556 | 5,308,357 |
| | \$ 41,442,154 | \$ 37,122,748 |

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

Approved by the Board:

Chairman of the Board

Treasurer

THE SAULT COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Statement of Operations

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

| | | |
|--|---------------------|---------------------|
| Revenue: | | |
| Grants and reimbursements | \$ 30,706,107 | \$ 27,773,985 |
| Tuition fees | 5,370,031 | 5,046,049 |
| Ancillary operations | 739,869 | 739,163 |
| Other | 1,957,274 | 1,749,798 |
| Restricted for student purposes | 2,618,678 | 2,652,655 |
| Amortization of deferred capital contributions | 1,274,553 | 1,631,540 |
| | <u>42,667,132</u> | <u>40,195,190</u> |
| Expenses: | | |
| Academic | 19,772,284 | 18,903,766 |
| Educational resources | 1,492,547 | 1,340,226 |
| Student services | 1,826,346 | 1,641,425 |
| Administrative | 5,455,050 | 5,011,320 |
| Other | 2,146,281 | 1,076,451 |
| Ancillary operations | 1,133,776 | 1,177,829 |
| Ontario training strategies | 2,424,389 | 2,146,247 |
| Special projects | 645,600 | 461,955 |
| Provision for (recovery of) employee benefit obligations | 2,010,561 | 1,025,483 |
| Amortization of capital assets | 2,454,017 | 2,823,375 |
| | <u>39,167,898</u> | <u>37,108,184</u> |
| Excess of revenue over expenses | | |
| before the under noted | 3,499,234 | 3,087,006 |
| Gain (loss) on disposal of capital assets | 112,965 | (29,171) |
| | <u>\$ 3,612,199</u> | <u>\$ 3,057,835</u> |

statements

THE STATE COLLEGE OF APPLIED AND TECHNOLOGY

Invested in
Capital Assets

Res

\$4,898,968

| Statement of | Year ended | with comparative figures for | | Total | |
|---|----------------|------------------------------|---------------|-------------|-------------|
| | | 2006 | 2007 | 2006 | 2007 |
| Changes in Net Assets | March 31, 2007 | | | | |
| Operating | | Operating | Operating | Operating | Operating |
| Net asset, beginning of year | | \$2,476,229 | \$(4,731,047) | \$2,897,197 | \$2,897,197 |
| Excess (deficiency) of revenues over expenses | | 3,655,820 | 193,253 | 3,057,835 | 3,057,835 |
| Change in accounting policies | | (464,352) | - | (646,675) | (646,675) |
| Invested in capital assets | | | | | |
| Net assets, end of year | | \$5,667,697 | \$(4,537,794) | \$5,308,357 | \$5,308,357 |

and notes are an integral part of the financial statements.

THE SAULT COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Statement of Cash Flows

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

| | 2007 | 2006 |
|---|---------------|---------------|
| Cash flows from operating activities: | | |
| Excess of revenue over expenses | \$ 3,012,199 | \$ 3,007,033 |
| Items not involving cash: | | |
| Amortization of capital assets | 2,454,017 | 2,823,375 |
| Amortization of deferred capital contributions | (1,274,553) | (1,631,540) |
| (Gain) loss on disposal of capital assets | (1,155) | (1,000) |
| Future benefits and vested sick leave liability | (140,707) | (842,027) |
| Net increase (decrease) in deferred contributions related to expenses of future periods | (90,786) | (988,424) |
| | 4,120,125 | 2,447,655 |
| Changes in non-cash working capital balances: | | |
| Accounts receivable | 306,117 | 118,211 |
| Grants and reimbursements receivable | (237,738) | 2,225,804 |
| Inventories | 10,650 | (5,446) |
| Accounts payable | (1,000) | (1,000) |
| Payable to Ministry of Training, Colleges and Universities | (76,303) | 28,113 |
| Deferred tuition fees | (104,010) | (60,040) |
| | 2,543,949 | 6,758,188 |
| Cash flows from financing and investing activities: | | |
| | (220,420) | (201,756) |
| Repayment of long-term obligations | (394,408) | (373,300) |
| Purchase of capital assets | (1,520,871) | (4,485,510) |
| Deferred capital contribution | 1,855,221 | 3,038,535 |
| Proceeds on disposal of capital assets | 20,286 | 40,400 |
| | 2,283,738 | 4,776,297 |
| Increase in cash | 2,283,738 | 4,776,297 |
| Cash and temporary investments, beginning of year | 14,411,764 | 9,635,467 |
| Cash and temporary investments, end of year | \$ 16,695,502 | \$ 14,411,764 |

The accompanying notes to the financial statements, including a summary of significant accounting policies and notes, are an integral part of these financial statements.

THE SAULT COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements

Year ended March 31, 2007

The Sault College of Applied Arts and Technology ("Sault College") is a provincial community college offering educational programs and upgrading to the accessing communities. Sault College is considered a Non-profit Schedule III Agency of the Ontario provincial government.

These statements reflect the assets, liabilities, sources of financing and expenditures of the operating fund, capital fund, student and bursary fund.

(a) Revenue recognition:

The College follows the deferral method of accounting.

Grant revenue is recorded in the period in 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 at the end of an accounting period are accrued.

Unrestricted contributions are recognized as revenue when received or receivable if the amounts can be reasonably estimated and collection is reasonably assured.

Externally restricted contributions are recognized as revenue in the period in which the related expenses are recognized. Contributions restricted for the purchase of capital assets are deferred and amortized into revenue on a straight-line basis at rates corresponding to those of the related capital assets.

Contributions for student purposes and the interest thereon are recognized as direct increases in net assets restricted for student purposes.

Sales and services revenue is recognized at the point of sale.

(b) Inventory:

Inventory is valued at the lower of cost and net realizable value.

(c) Temporary investments:

Temporary investments are recorded at the lesser of cost and market value.

(d) Sinking fund investment:

The sinking fund investment is recorded at cost plus accrued interest at the yield to maturity rate of the investment.

THE SAULT COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements

Year ended March 31, 2007

1. Significant accounting policies (continued):

(e) Capital assets:

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair market value at the date of contribution. Amortization is provided on a straight-line

| Category | Years |
|------------------------|-------|
| Buildings | 40 |
| Site improvements | 10 |
| Equipment | 5 |
| Vehicles | 5 |
| Furniture and fixtures | 5 |
| Computer equipment | 5 |
| Aircraft | 10 |

(f) Employment related obligations:

Employment related obligations which include vacation pay, certain pension and post employment benefits and sick leave benefits, are accrued. The College is liable to pay 50% of certain faculty members' accumulated sick leave credits on termination or retirement after ten years service.

(g) Use of estimates:

The preparation of the financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from management's best estimates as additional information becomes available.

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

Notes to Financial Statements

Year ended March 31, 2007

2. Sinking fund investment:

The sinking fund investment consists of Ontario Hydro debenture coupons with a yield to maturity of 9.96% which will mature in the year 2012 at \$4,100,000. This sinking fund maturity as describe in note 6.

The fair value of these coupons at March 31, 2007 is \$ 3,206,765 (2006 - \$3,120,206) being the quoted market value.

3. Capital assets:

| | 2007 | | |
|------------------------|----------------------|----------------------|------------|
| | Cost | amortization | book value |
| | \$ | \$ | \$ |
| Land | 671,255 | - | 671,255 |
| Buildings | 37,670,320 | 19,073,412 | 18,596,908 |
| Site improvements | 953,999 | 644,078 | 309,921 |
| Equipment | 7,104,591 | 6,092,503 | 1,012,088 |
| Vehicles | 178,300 | 157,753 | 20,547 |
| Furniture and fixtures | 354,320 | 230,119 | 124,201 |
| Computer equipment | 10,700,487 | 6,940,100 | 3,760,387 |
| Aircraft | 3,225,354 | 2,850,965 | 374,389 |
| \$ 60,858,647 | \$ 37,043,675 | \$ 23,814,972 | |

Capital assets:

| | 2006 | | |
|------------------------|----------------------|--------------------------|----------------|
| | Cost | Accumulated amortization | Net book value |
| | \$ | \$ | \$ |
| Land | 671,255 | - | 671,255 |
| Buildings | 37,102,686 | 18,216,006 | 18,886,680 |
| Site improvements | 930,002 | 602,916 | 327,086 |
| Equipment | 6,527,435 | 5,655,187 | 872,248 |
| Vehicles | 163,495 | 151,890 | 11,605 |
| Furniture and fixtures | 280,113 | 182,480 | 97,633 |
| Computer equipment | 10,430,000 | 7,024,120 | 3,405,880 |
| Aircraft | 3,225,354 | 2,765,021 | 460,333 |
| \$ 59,345,755 | \$ 34,597,638 | \$ 24,748,117 | |

THE SAULT COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements

Year ended March 31, 2007

Assets held under capital leases totaling \$ 1,871,140 (2006 - \$ 1,871,140) with related accumulated amortization in the amount of \$ 1,231,048 (2006 - \$ 936,719) are included in capital assets.

4. Employment-related obligations:

Non-vested post-employment benefits \$ 760,000 \$ 968,000

The College indirectly subsidizes premiums for the group benefits available to early retirees and the continuation of benefits for individuals on long-term disability.

The present value of accrued post-employment benefits at March 31, 2007 amounted to \$523,000 (2006 - \$ 625,000). Expenses recorded in the year were \$99,000 – recovery \$50,000 (2006 - \$61,000). These amounts represent the actuarial valuations filed as of January 1, 2005.

The actuarial valuations of the plans were based upon a number of assumptions about future events, which reflect management's best estimates. The following represents the significant assumptions made:

| | 2007 | 2006 |
|----------------------------|------------|------------|
| Accrued benefit obligation | \$ 848,000 | \$ 953,000 |

The significant assumptions used are as follows:

| | 2007 | 2006 |
|------------------------------|-------|-------|
| Discount rate | 4.85% | 5.00% |
| Health Care Trend Rate | | |
| - Drugs | 9% | 9% |
| (grading down to 5% in 2010) | | |
| - Hospital and other medical | 5% | 5% |
| - Dental cost | 4% | 4% |

Included in accounts payable is an accrual for vacation pay totaling \$2,677,864 (2006 - \$2,722,330).

THE SAULT COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements

Year ended March 31, 2007

5. Deferred contributions for expenses of future periods:

Deferred contributions consist of the following:

| | 2007 | 2006 |
|-----------------------------------|-------------------|---------------------|
| Balance, beginning of year | \$ 1,250,016 | \$ 2,182,713 |
| Additional contributions received | 2,010,266 | 1,716,176 |
| | (2,101,052) | (2,648,872) |
| | <u>\$ 149,230</u> | <u>\$ 1,250,016</u> |

6. Deferred contributions for capital assets:

Deferred contributions represent the unamortized balance of restricted contributions for the purchase of capital assets. The amounts for the years ended March 31, 2007 and 2006 are as follows:

| | | |
|------------------------|----------------------|----------------------|
| Contributions received | 1,000,227 | 2,000,727 |
| Amortization | (1,367,232) | (1,631,540) |
| | <u>\$ 22,916,416</u> | <u>\$ 23,328,427</u> |

The balance of unamortized capital contributions related to capital assets consists of the following:

| | | |
|---|----------------------|----------------------|
| Unamortized capital contributions used to purchase assets | \$ 17,391,809 | \$ 17,464,842 |
| Unspent contributions | 6,424,607 | 5,863,585 |
| Balance, end of year | <u>\$ 23,816,416</u> | <u>\$ 23,328,427</u> |

THE SAULT COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements

Year ended March 31, 2007.

7. Invested in capital assets:

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

| | 2007 | 2006 |
|--|--------------|--------------|
| Excess of revenues over expenses | | |
| Amortization of deferred contributions related to capital assets | \$ 1,274,553 | \$ 1,631,540 |
| Amortization of capital assets | (2,154,917) | (2,222,275) |
| Investment income | 220,443 | 201,759 |
| | 140,079 | (388,971) |

| | | |
|--|--------------|--------------|
| Net investment in capital assets: | | |
| Capital assets acquired | \$ 1,520,871 | \$ 4,485,510 |
| Repayment of long-term obligations | 394,408 | 373,560 |
| Amounts funded by deferred contributions | (1,293,899) | (1,640,853) |

Net assets invested in capital assets are represented by:

| | 2007 | 2006 |
|--|--------------|--------------|
| Investments | 125 | 121 |
| Endowment fund investment | 2,600,980 | 2,380,550 |
| Capital assets, net book value | 23,814,972 | 24,748,118 |
| Deferred contributions related to capital assets | 23,816,416 | 23,328,427 |
| Long-term obligations | 4,525,062 | 4,919,470 |
| | 28,341,478 | 28,247,897 |
| Net assets invested in capital assets | \$ 4,004,202 | \$ 4,000,000 |

THE SAULT COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements

Year ended March 31, 2007

5.744% Lease payable \$10,056 monthly, maturing

5.610% Lease payable \$5,044 monthly, maturing

April 2008, secured by certain aircraft

65,637 126,225

5.211% Lease payable \$19,581 monthly, maturing

April 2008, secured by certain aircraft

429,744 845,976

Less amount representing interest

4,682 26,506

425,062 819,470

9.17% Mortgage, interest payable semi-annually,
principal due in 2012, secured by a first mortgage on...

4,100,000 4,100,000

Less current portion

360,587 393,062

\$ 4,164,475 \$ 4,526,408

Minimum lease payments in each of the next two years are as follows:

| | |
|------|------------|
| 2008 | \$ 360,587 |
| 2009 | 64,475 |

THE SAULT COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements

Year ended March 31, 2007

9. Internally restricted net assets:

The Minister of Training, Colleges and Universities established a policy limiting the amount of funds that the College can allocate for specific purposes. At March 31, 2007, Sault College did not contravene this policy.

Sault College appropriates amounts from unrestricted net assets to cover anticipated future operating expenditures. The actual costs are recorded as operating expenditures in the year in which they are incurred.

By resolution of the Board of Governors, accumulated appropriations from unrestricted net assets at March 31, 2007 have been made to the Joint Employment Stability Reserve Fund in the amount of \$ 190,238.

10. Pension plans:

Full time employees are participants in the multi-employer contributory retirement pension plan established by the Board of Trustees of the CAAT Pension Plan. These plans are defined benefit plans which specify the amount of the retirement benefit to be receivable by the employees based on length of service and rates of pay. The College makes contributions to these plans equal to those of the employees. Employer contributions amounted to \$1,666,381 (2006 - \$1,478,792).

11. Financial instruments:

management's opinion that the College is not exposed to significant interest, currency or credit risk arising from financial instruments. The fair values of these financial instruments approximate the carrying values, unless otherwise noted.

The College intends to hold the sinking fund investment until maturity in order to fund the retirement of the mortgage. The fair values of the sinking fund investment and the mortgage are presented in note 2.

THE SAULT COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements

Year ended March 31, 2007

12. Other information:

Ontario Student Opportunity Trust Fund:

The information contained herein is the property of the Ontario Student Opportunity Trust Fund.

These amounts are reflected in the net assets restricted for student purposes.

Schedule of donations received between April 1 and March 31:

| | 2007 | 2006 |
|---|----------|----------|
| Cash donations matched between April 1 and March 31 | - | - |
| Unmatched cash donations | - | - |
| Total cash donations | - | - |

Schedule of Changes in Endowment Fund Balance for the period April 1 to March 31:

| | | |
|---|-------------------|-------------------|
| Eligible cash donations received between April 1 and March 31 | - | - |
| Matching funds received/receivable from MTCU | - | - |
| Fund balance at end of year | \$ 664,172 | \$ 664,172 |

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

| | 2007 | 2006 |
|---|------------------|------------------|
| Balance, beginning of year | \$ 79,348 | \$ 69,893 |
| Realized investment income, net of direct investment-related expenses and preservation of capital contributions | 35,994 | 39,430 |
| Balance, end of year | \$ 71,174 | \$ 79,348 |

The market value of the endowment and expendable funds at March 31, 2007 was \$910,614.

Report of Awards Issued for the Period April 1, 2006 to March 31, 2007:

| | OSAP Recipients | | Non-OSAP Recipients | | Total | |
|-----------|-----------------|-----------|---------------------|-----------|--------|-----------|
| | Number | Amount | Number | Amount | Number | Amount |
| Full-time | 27 | \$ 18,875 | 50 | \$ 25,293 | 77 | \$ 44,168 |

THE COLLEGE OF

Notes to Financial Statements

Year ended March 31, 2007

13. Ontario Student Opportunity Trust Fund

Schedule of donations received for the year:

| | 2007 | 2006 |
|---|------|------|
| Cash donations matched between April 1 and March 31 | \$ - | \$ - |
| Unmatched cash donations | - | - |
| Total cash donations | - | - |

Schedule of Changes in Endowment Fund Balance for the period April 1 to March 31:

| | 2007 | 2006 |
|---|------------|------------|
| Balance, beginning of year | \$ 331,340 | \$ 331,340 |
| Eligible cash donations received between April 1 and March 31 | - | - |
| Matching funds received/receivable from MTCU | - | - |

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

| | | |
|---|----------|----------|
| Realized investment income, net of direct investment related expenses and preservation of capital contributions | 15,207 | 13,926 |
| Balance, end of year | \$ 5,481 | \$ 7,674 |

The endowment total based on book value at March 31, 2007 \$ 336,821 \$ 339,014

The market value of the endowment at March 31, 2007 was \$ 302,127

Report of Awards Issued for the Period April 1, 2006 to March 31, 2007:

| | OSAP Recipients | | Non-OSAP Recipients | | Total | |
|--------------------|-----------------|----------|---------------------|----------|--------|-----------|
| | Number | Amount | Number | Amount | Number | Amount |
| Full time students | 12 | \$ 7,950 | 15 | \$ 9,550 | 27 | \$ 17,400 |

THE SAULT COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements

Year ended March 31, 2007

14. Ontario Trust for Student Support:

Schedule of donations received between April 1 and March 31:

| | 2007 | 2006 |
|--|------------|------------|
| Cash donations matched between April 1 And March 31 | \$ 124,684 | \$ 158,963 |
| Unmatched cash donations | - | - |

~~\$ 124,684 \$ 158,963~~

Schedule of Changes in Endowment Fund Balances for
the period April 1 to March 31:

| | | |
|--|------------|------------|
| Balance, beginning of year | \$ 470,295 | \$ - |
| Eligible cash donations received between April 1 and March 31 | 124,684 | 158,963 |
| Fund balance at end of year | \$ 803,471 | \$ 470,295 |

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

| | | |
|--|----------|--------|
| Balance, beginning of year | \$ 507 | \$ - |
| Realized investment income, net of direct investment- related expense and preservation of capital contributions | 20,287 | 507 |
| Bursaries awarded (total number:32) | (20,300) | - |
| Balance, end of year | \$ 494 | \$ 507 |

The endowment total based on book value at March 31, 2007 \$ 803,965 \$ 470,802

The market value of the endowment at March 31, 2007 was \$ 656,470.

Number of Awards Issued for the Period April 1, 2006 to March 31, 2007

| | | | | | | |
|-----------|----|----------|----|-----------|----|-----------|
| Full-time | 10 | \$ 4,800 | 22 | \$ 10,500 | 52 | \$ 20,300 |
|-----------|----|----------|----|-----------|----|-----------|

THE SAULT COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Notes to Financial Statements

Year ended March 31, 2007

15. Comparative amounts:

~~Certain 2006 comparative amounts have been reclassified to reflect the financial statement presentation adopted for 2007.~~

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Auditors' Comments on Supplementary Financial Information

To the Board of Governors of
Sault College of Applied Arts and Technology

The audited financial statements of the Sault College of Applied Arts and Technology as at March

annual report. The financial information presented hereinafter was derived from the accounting records tested by us as part of the auditing procedures followed in connection with the financial statements taken as a whole.

statements taken as a whole.



Chartered Accountants, Licensed Public Accountants

Sault Ste. Marie, Ontario
May 4, 2007

THE SAULT COLLEGE OF
THE SAULT COLLEGE OF

ADDITIONAL INFORMATION

| Revenue | Revenue | 2007 | 2006 |
|---|---------|---------------|---------------|
| <p>Financial Statements for 2007 and 2006 Financial Statements for 2007 and 2006 Schedule 7</p> | | | |
| | | 2007 | 2006 |
| Basic operating grant | | \$ 22,500,920 | \$ 19,413,378 |
| Termination gratuities | | 104,507 | 217,243 |
| Municipal tax | | 150,375 | 163,275 |
| Ontario training stipendies | | 1,912,118 | 1,970,020 |
| Other | | 4,256,856 | 4,336,315 |
| | | 30,706,107 | 27,773,985 |
| Tuition fees: | | | |
| Full-time post secondary | | 4,505,713 | 4,770,536 |
| Other | | 864,938 | 877,513 |
| | | 5,370,651 | 5,648,049 |
| Ancillary operations | | 739,869 | 739,163 |
| Other: | | | |
| Contract educational services | | 109,231 | 193,157 |
| Investment income | | 828,677 | 462,956 |
| Sale of course products and services | | 118,505 | 109,793 |
| Special projects | | 34,850 | 21,384 |
| Miscellaneous | | 866,011 | 962,508 |
| | | 1,957,274 | 1,749,798 |
| Restricted for student purposes | | 2,618,678 | 2,652,655 |
| Amortization of deferred contributions related to capital assets | | 1,274,553 | 1,631,540 |
| | | \$ 42,667,132 | \$ 40,195,190 |

THE SAULT COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Academic Expenses

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

Schedule 2

| | 2007 | 2006 (restated) |
|------------------------------------|---------------|--------------------|
| Salaries: | \$ 1,000,000 | \$ 1,100,000 |
| Support | 1,808,151 | 1,638,698 |
| Early retirement incentive | 6,251 | - |
| Benefits | 2,724,478 | 2,502,648 |
| Building repairs and maintenance | 42,056 | 4,839 |
| Contracted security services | 532 | 528 |
| Contracted services | 434,488 | 490,959 |
| Equipment maintenance and repairs | 411,582 | 513,206 |
| Field work | 352,019 | 453,501 |
| Furniture and equipment purchases | 306,711 | 159,154 |
| Furniture and equipment rental | 3,922 | 3,956 |
| Grounds maintenance | 10,797 | 11,877 |
| Instructional supplies | 419,001 | 521,410 |
| Insurance | 219,802 | 222,052 |
| Interest and bank charges | 31,050 | 52,810 |
| Municipal and maintenance supplies | | |
| Municipal tax levy | 20,159 | 19,020 |
| Office supplies | 66,585 | 76,725 |
| Premise rental | 10,391 | 9,635 |
| Professional development | 19,444 | 14,863 |
| Professional fees | 57,100 | 23,202 |
| Promotion and public relations | 12,109 | 20,206 |
| Staff employment | 2,916 | 3,224 |
| Telecommunications | 19,556 | 17,066 |
| Travel and conference | 73,375 | 50,909 |
| Utilities | 45,822 | 38,515 |
| Vehicle expense | 38,741 | 42,796 |
| | \$ 19,772,284 | \$ 18,903,706 |

THE SAULT COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Educational Resources Expenses

| | 2007 | 2006 |
|-----------------------------------|------------|------------|
| Salaries: | | |
| Academic | \$ 110,020 | \$ 115,361 |
| Support | 248,007 | 152,725 |
| Benefits | 183,807 | 166,028 |
| Contracted services | 67,012 | 51,576 |
| Equipment maintenance and repairs | 28,364 | 28,135 |
| Furniture and equipment purchases | 20,698 | 4,469 |
| Instructional supplies | | |
| Office supplies | 18,805 | 20,173 |
| Professional development | 2,784 | 1,073 |
| Professional fees | 8,926 | 3,268 |
| Travel and conference | 1,000 | 1,000 |

THE SAULT COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Student Services Expenses

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

Schedule 4

| | (restated) | |
|-------------------------------------|---------------------|---------------------|
| Salaries: | | |
| Administration | \$ 182,518 | \$ 175,219 |
| Support | 993,927 | 898,181 |
| | <u>1,176,445</u> | <u>1,073,400</u> |
| Contracted services | 8,215 | 45,222 |
| Equipment maintenance and repairs | 1,803 | 7,078 |
| Furniture and equipment purchases | 18,283 | - |
| Furniture and equipment rental | 8,225 | 11,342 |
| Instructional supplies | 26,575 | 24,783 |
| Insurance | 80,104 | 45,001 |
| Janitorial and maintenance supplies | 3,400 | - |
| Office | 26,372 | 44,007 |
| Premise rental | 4,993 | 4,606 |
| Professional fees | 12,680 | 10,246 |
| Printing and publications | 111,156 | 41,569 |
| Telecommunications | 6,677 | 6,862 |
| Travel and conference | 30,802 | 42,583 |
| Vehicle expense | 8,989 | 15,860 |
| | <u>\$ 1,826,346</u> | <u>\$ 1,641,425</u> |

THE SAULT COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Administrative Expenses

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

Schedule 5

| | 2007 | 2006 (restated) |
|--|---------------------|---------------------|
| Salaries: | | |
| Administration | \$ 1,402,654 | \$ 1,877,716 |
| Academic | 10,218 | 8,854 |
| Support | 1,229,218 | 1,158,513 |
| Benefits | 665,036 | 692,361 |
| Building repairs and maintenance | 3,478 | - |
| Contracted services | 352,613 | 262,682 |
| Equipment maintenance and repairs | 188,748 | 161,170 |
| Furniture and equipment purchases | 115,920 | 103,979 |
| Furniture and equipment rental | 46,031 | 50,663 |
| Instructional supplies | 20,238 | 20,581 |
| Insurance | 145,678 | 148,422 |
| Interest and bank charges | 48,106 | 47,970 |
| Michigan tax levy | 100,870 | 100,870 |
| Depreciation | 10,792 | 10,792 |
| Professional fees | 600,813 | 600,813 |
| Real estate taxes | 205,000 | 204,000 |
| Provision for doubtful accounts (recovery) | (10,735) | 68,517 |
| Telecommunications | 71,341 | 64,671 |
| Travel and conference | 78,379 | 82,306 |
| Vehicle expense | 7,190 | 1,851 |
| | \$ 5,455,350 | \$ 5,611,326 |

THE SAULT COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Ancillary Operations Expenses

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

Schedule 7

| | | | (restated) |
|-------------------------------------|---------------------|---------------------|------------|
| Salaries: | | | |
| Administration | \$ 120,456 | \$ 137,858 | |
| Support | 313,107 | 312,293 | |
| Benefits | 100,219 | 104,162 | |
| Building repairs and maintenance | 23,164 | 47,050 | |
| Contracted security services | 23,019 | 19,873 | |
| Contracted services | 28,186 | 43,101 | |
| Cost of goods sold | 2,988 | 2,354 | |
| Equipment maintenance and repairs | 2,311 | 990 | |
| Furniture and equipment purchases | 3,921 | - | |
| Grounds maintenance | 45,792 | 41,465 | |
| Instructional supplies | 21,441 | 26,107 | 22,572 |
| Interest on long-term debt | 375,970 | 375,970 | |
| Janitorial and maintenance supplies | 974 | 1,807 | |
| Office supplies | 5,076 | 7,435 | |
| Professional development | - | 306 | |
| Professional fees | 339 | 329 | |
| Propaganda and public relations | 1,003 | 908 | |
| Travel and conference | 1,600 | 989 | |
| Utilities | 56,314 | 52,369 | |
| | \$ 1,133,776 | \$ 1,177,829 | |

THE SAULT COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Ontario Training Strategies Expenses

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

Schedule 8

| | 2007 | 2006 (restated) |
|------------------------------------|--------------|--------------------|
| Salaries: | | |
| Administration | \$ 217,857 | \$ 133,336 |
| Academic | 258,465 | 250,576 |
| Support | 785,801 | 832,082 |
| Benefits | | |
| Equipment maintenance and repairs | 30,646 | 48,255 |
| Furniture and equipment purchases | 3,628 | 3,564 |
| Furniture and equipment rental | 69,523 | 31,304 |
| Instructional supplies | 36,729 | 31,820 |
| Office supplies | 102,300 | 103,365 |
| Premise rental | 3,262 | 5,680 |
| Professional development | 3,069 | 5,627 |
| Professional fees | 49,330 | 28,342 |
| Promotion and public relations | | |
| Telecommunications | 36,525 | 33,465 |
| Travel and conference | 48,303 | 21,186 |
| Training, subsidies and allowances | 276,807 | 296,296 |
| Utilities | 3,914 | 4,006 |
| | \$ 2,424,280 | \$ 2,446,247 |

THE SAULT COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Special Projects Expenses

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

Schedule A

| | | (restated) |
|-----------------------------------|-----------|------------|
| Salaries: | | |
| Administration | \$ 75,916 | \$ 42,745 |
| Support | 119,761 | 80,750 |
| Benefits | 32,650 | 20,413 |
| Building repairs and maintenance | 6,241 | 17,242 |
| Contracted services | 107,061 | 90,300 |
| Furniture and equipment purchases | 149,053 | 151,330 |
| Furniture and equipment rental | 478 | 1,350 |
| Instructional supplies | 8,411 | 373 |
| Office supplies | 3,755 | 3,455 |
| Premise rental | 17,140 | 7,303 |
| Professional development | 4,165 | - |
| Professional fees | 7,271 | 19,248 |
| Promotion and public relations | 11,374 | 4,221 |
| Telecommunications | 3,340 | 4,546 |
| Travel and conference | 8,084 | 3,464 |