

Financial Statements of

**DOUGLAS COLLEGE**

Year ended March 31, 2006



**KPMG LLP**  
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## AUDITORS' REPORT TO THE BOARD

We have audited the statement of financial position of Douglas College as at March 31, 2006 and the statements of operations, changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the College's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the College as at March 31, 2006 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

*KPMG LLP*

Chartered Accountants

Burnaby, Canada

May 29, 2006

# DOUGLAS COLLEGE

Statement of Financial Position

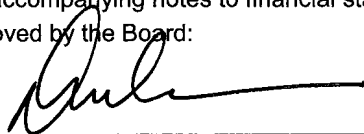
March 31, 2006

	Operating Fund	Ancillary Fund	Capital Fund	Special Purpose Fund	2006 Total	2005 Total
<b>Assets</b>						
Cash and cash equivalents	\$ 7,960,115	\$ 15,619	\$ 15,742,061	\$ 3,099,727	\$ 26,817,522	\$ 20,149,955
Accounts receivable	1,659,814	433,886	587,674	123,842	2,805,216	2,111,789
Prepaid expenses	342,802	-	-	-	342,802	328,495
Inventory	-	646,303	-	-	646,303	557,551
	9,962,731	1,095,808	16,329,735	3,223,569	30,611,843	23,147,790
Capital assets (note 3)	-	-	84,107,244	-	84,107,244	83,769,368
Sinking fund investments (note 4)	-	-	1,046,261	-	1,046,261	892,131
<b>TOTAL ASSETS</b>	<b>\$ 9,962,731</b>	<b>\$ 1,095,808</b>	<b>\$ 101,483,240</b>	<b>\$ 3,223,569</b>	<b>\$ 115,765,348</b>	<b>\$ 107,809,289</b>
<b>Liabilities and Net Assets</b>						
Accounts payable and accrued liabilities	\$ 3,077,097	\$ 4,432	\$ 845,325	\$ 69,064	\$ 3,995,918	\$ 2,254,925
Salaries and wages payable	2,095,630	-	-	-	2,095,630	2,338,679
Accrued vacation pay	4,899,678	-	-	-	4,899,678	4,237,650
Deferred revenue	3,095,761	25,438	-	858,960	3,980,159	3,095,010
	13,168,166	29,870	845,325	928,024	14,971,385	11,926,264
Long-term debt (note 5)	-	-	1,485,000	-	1,485,000	1,485,000
Deferred capital contributions (note 6)	-	-	76,680,651	-	76,680,651	75,866,025
	13,168,166	29,870	79,010,976	928,024	93,137,036	89,277,289
<b>Net assets</b>						
Unrestricted	-	86,781	115,696	-	202,477	254,906
Internally restricted (note 7)	1,694,243	979,157	15,174,871	2,295,545	20,143,816	15,012,532
Invested in capital assets (note 8)	-	-	7,181,697	-	7,181,697	7,502,212
Unfunded vacation pay	(4,899,678)	-	-	-	(4,899,678)	(4,237,650)
	(3,205,435)	1,065,938	22,472,264	2,295,545	22,628,312	18,532,000
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 9,962,731</b>	<b>\$ 1,095,808</b>	<b>\$ 101,483,240</b>	<b>\$ 3,223,569</b>	<b>\$ 115,765,348</b>	<b>\$ 107,809,289</b>

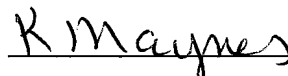
Pension plans (note 9)  
Contingencies (note 11)

See accompanying notes to financial statements.

Approved by the Board:



Chair



Vice-President, Finance & Administration

# DOUGLAS COLLEGE

## Statement of Operations

Year ended March 31, 2006

	2006	2005
<b>Revenue:</b>		
Ministry of Advanced Education, Annual Grant	\$ 46,063,523	\$ 44,088,063
Ministry of Advanced Education, Annual Capital Allowance (portion related to cyclical repairs and maintenance expense)	731,737	903,635
Tuition fees	19,274,388	19,744,180
Contracts, contributions and other grants	7,923,545	6,321,873
Amortization of deferred capital contributions (note 6)	4,346,482	4,356,216
Ancillary (schedule C)	851,077	710,213
Interest and recoveries	706,112	481,121
Student Union Building fees	89,100	89,100
Sundry	2,027,634	1,541,877
	<u>82,013,598</u>	<u>78,236,278</u>
<b>Expenses:</b>		
Instruction	48,000,093	44,812,799
Support	20,632,370	19,964,744
Special Purpose service delivery	2,718,061	2,400,663
Interest on debt	89,100	89,100
Cyclical repairs and maintenance	731,737	903,635
Amortization of capital assets	5,145,925	5,041,241
Contribution to Foundation	600,000	600,000
	<u>77,917,286</u>	<u>73,812,182</u>
<b>Excess of revenue over expenses</b>	<u>\$ 4,096,312</u>	<u>\$ 4,424,096</u>

See accompanying notes to financial statements.

# DOUGLAS COLLEGE

## Statement Changes in Net Assets

Year ended March 31, 2006

	Invested in capital assets (note 8)	Internally restricted	Unrestricted	Unfunded vacation pay	2006 Total	2005 Total
Balance, beginning of year	\$ 7,502,212	\$ 15,012,532	\$ 254,906	\$ (4,237,650)	\$ 18,532,000	\$ 14,107,904
Excess (deficiency) of revenue over expenses	(799,443)	-	4,895,755	-	4,096,312	4,424,096
Net change in investment in capital assets	478,928	-	(478,928)	-	-	-
Transfers	-	5,131,284	(4,469,256)	(662,028)	-	-
<b>Balance, end of year</b>	<b>\$ 7,181,697</b>	<b>\$ 20,143,816</b>	<b>\$ 202,477</b>	<b>\$ (4,899,678)</b>	<b>\$ 22,628,312</b>	<b>\$ 18,532,000</b>

See accompanying notes to financial statements.

# DOUGLAS COLLEGE

## Statements of Cash Flows

Year ended March 31, 2006

	2006	2005
Cash provided by (used in):		
Operations:		
Excess of revenue over expenses	\$ 4,096,312	\$ 4,424,096
Items not involving cash:		
Amortization of capital assets	5,145,925	5,041,241
Amortization of deferred capital contributions	(4,346,482)	(4,356,216)
Changes in non-cash operating working capital:		
Accounts receivable	(693,427)	1,054,155
Prepaid expenses	(14,307)	51,567
Inventory	(88,752)	(24,005)
Accounts payable and accrued liabilities	1,740,993	(681,104)
Salaries and wages payable	(243,049)	519,904
Accrued vacation pay	662,028	(250,530)
Deferred revenue	885,149	(611,779)
	7,144,390	5,167,329
Investments:		
Increase in sinking fund investments	(154,130)	(148,102)
Acquisition of capital assets	(5,483,801)	(3,127,609)
Investment in land	-	10,408
	(5,637,931)	(3,265,303)
Financing:		
Deferred capital contributions, net (note 6)	5,161,108	1,962,082
Increase in cash and cash equivalents	6,667,567	3,864,108
Cash and cash equivalents, beginning of year	20,149,955	16,285,847
Cash and cash equivalents, end of year	\$ 26,817,522	\$ 20,149,955
Supplementary information:		
Interest received	\$ 628,803	\$ 393,535

See accompanying notes to financial statements.

# DOUGLAS COLLEGE

Notes to Financial Statements

Year ended March 31, 2006

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## 1. Operations:

Douglas College is a post-secondary educational institution incorporated under the College and Institute Act of British Columbia, and is principally funded by the Province of British Columbia (the "Province") through the Ministry of Advanced Education.

## 2. Significant accounting policies:

### (a) Basis of presentation:

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles for not-for-profit organizations.

### (b) Fund accounting:

The College follows fund accounting procedures whereby available resources and their related expenses are recorded in separate funds in accordance with determinations made by the Board and limitations and restrictions imposed by sources outside the College. The funds used and their purposes are as follows:

*Operating:* Revenue and expenses related to the general operations of the College.

*Ancillary:* Revenue and expenses relating to the bookstore, parking, cafeteria and vision centre operations.

*Capital:* Receipts and disbursements for acquisition of capital assets.

*Special Purposes:* Contracts for the provision of special services to government and other organizations, grants designated to specific projects and administration of monies designated for other specified purposes, in accordance with Board Policy. The special purposes fund balance represents the balance of internally restricted funds held pending disbursement.

### (c) Cash and cash equivalents:

Cash and cash equivalents are defined to include highly liquid securities with original terms to maturity of three months or less when purchased.

### (d) Inventory:

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

### (e) Capital assets:

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. On disposal, cost, accumulated amortization and remaining deferred contributions are written down and proceeds taken into the capital fund.

# DOUGLAS COLLEGE

Notes to Financial Statements

Year ended March 31, 2006

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## 2. Significant accounting policies (continued):

(e) Capital assets (continued):

Capital assets are amortized on a straight-line basis using the following rates which approximate the useful life of the assets:

Asset	Rate
Buildings	40 years
Furniture and equipment	5 years
Library books	10 years

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(f) Operating Fund net assets internally restricted:

The College is committed to using all resources available to it in furtherance of the College's Mission. This includes accumulating and retaining an internally restricted balance to safeguard future operations from unplanned fiscal shortfalls and contingencies. Any use of this balance requires College Board approval. Interest realized on this balance is paid quarterly to the Douglas College Foundation for distribution as Student Aid.

(g) Sinking fund investments:

Sinking fund investments are stated at the lower of cost and market value.

(h) Deferred revenue:

Deferred revenue - operating fund consists of tuition fees related to the April portion of the winter semester as well as the upcoming summer and fall semesters. Deferred revenue - special purpose fund consists of revenue related to specific externally funded projects for which costs are yet to be incurred.

(i) Revenue recognition:

Tuition fees and operating grants are recorded as revenue as they are earned.

The College follows the deferral method of accounting for contributions. Accordingly, externally restricted contributions are recognized as revenue in the year 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 a rate corresponding with the amortization rate for the related capital assets.

Unrestricted investment income is recognized as revenue when earned.



# DOUGLAS COLLEGE

Notes to Financial Statements

Year ended March 31, 2006

## 2. Significant accounting policies (continued):

(j) Use of estimates:

The preparation of 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 financial statements and the reported amounts of revenues and expenses during the reporting period. Significant areas requiring the use of management estimates relate to the determination of useful lives for purposes of amortization of capital assets and deferred capital contributions and provisions for contingencies. Actual amounts may ultimately differ from these estimates.

## 3. Capital assets:

			2006	2005
	Cost	Accumulated amortization	Net book value	Net book value
Land	\$ 4,402,262	\$ -	\$ 4,402,262	\$ 4,402,262
Buildings	106,188,487	35,957,530	70,230,957	69,236,492
Furniture and equipment	38,730,828	31,825,763	6,905,065	7,398,237
Library books	1,319,080	1,319,080	-	83,137
Student Union Building	3,211,198	642,238	2,568,960	2,649,240
	\$ 153,851,855	\$ 69,744,611	\$ 84,107,244	\$ 83,769,368

## 4. Sinking fund investments:

The British Columbia Educational Institutions Capital Financing Authority ("BCEICFA") Sinking Fund Pooled Investment Portfolio is a pooled fund which holds money market securities and bonds. Money market investments are limited to less than 10 percent of total assets, and must be in short-term financial and corporate commercial paper. Bonds must be in fixed income securities which are issued or guaranteed by the Government of Canada or a provincial government.

Each BCEICFA sinking fund, by debt issue, holds units in the Pooled Investment Portfolio and has beneficial ownership of a prorated share of net assets.

	2006	2005
Balance forward from previous year	\$ 892,131	\$ 744,029
Payments into sinking fund	102,508	102,508
Interest earned on sinking fund to March 31	51,622	45,594
	\$ 1,046,261	\$ 892,131

# DOUGLAS COLLEGE

Notes to Financial Statements

Year ended March 31, 2006

## 5. Long-term debt:

In December 1997 the College borrowed \$1,485,000, under Section 22(1) of the College and Institute Act, to partially fund the construction of the Student Union Building. A debenture (series DC-CD-V) in that amount, with annual interest at 6%, was issued by the Province with a maturity date of June 9, 2008. The debenture requires the College to make interest payments of \$44,550 in June and December of each year.

In order to retire this debenture, a sinking fund has been established by the Province and the College is required to make an annual payment of \$102,508 in June of each year, from 1998 up to and including 2007.

## 6. Deferred capital contributions:

Deferred capital contributions relate to capital assets and represent the unamortized amount and unspent amount of donations and grants received for the purchase of capital assets. The amortization of capital contributions is recorded as revenue in the statement of operations.

	2006	2005
Balance forward from previous year	\$ 75,866,025	\$ 78,260,159
Additional contributions received	5,892,845	2,865,717
Annual capital allowance used towards cyclical maintenance	(731,737)	(903,635)
Amounts amortized to revenue	(4,346,482)	(4,356,216)
	<u>\$ 76,680,651</u>	<u>\$ 75,866,025</u>

Included in deferred capital contributions is unspent funds of \$193,843 (2005 - \$191,738) for specific capital assets.

## 7. Net assets internally restricted:

Net assets internally restricted results from operations of the following funds:

	2006	2005
Operating (schedule A)	\$ 1,694,243	\$ 1,558,135
Ancillary (schedule C)	979,157	637,765
Capital (schedule D)	15,174,871	10,580,697
Special purpose (schedule E)	2,295,545	2,235,935
	<u>\$ 20,143,816</u>	<u>\$ 15,012,532</u>

# DOUGLAS COLLEGE

Notes to Financial Statements

Year ended March 31, 2006

## 8. Net assets invested in capital assets:

(a) Net assets invested in capital assets is calculated as follows:

	2006	2005
Capital assets	\$ 84,107,244	\$ 83,769,368
Amounts financed by:		
Long-term debt	(1,485,000)	(1,485,000)
Deferred capital contributions	(76,680,651)	(75,866,025)
Unspent deferred capital contributions (note 6)	193,843	191,738
Sinking fund investments	1,046,261	892,131
	(76,925,547)	(76,267,156)
	\$ 7,181,697	\$ 7,502,212

(b) Excess (deficiency) of revenue over expenses:

	2006	2005
Amortization of deferred capital contributions	\$ 4,346,482	\$ 4,356,216
Less: amortization of capital assets	(5,145,925)	(5,041,241)
	\$ (799,443)	\$ (685,025)

(c) Net changes in investment in capital assets:

	2006	2005
Increase in capital assets	\$ 5,483,801	\$ 3,127,609
Amounts funded by deferred contributions, net	(5,161,108)	(1,962,082)
Change in unspent deferred capital contributions	2,105	(234,961)
Change in sinking fund investments	154,130	148,102
	\$ 478,928	\$ 1,078,668

# DOUGLAS COLLEGE

Notes to Financial Statements

Year ended March 31, 2006

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## 9. Pension plans:

The College and its employees contribute to the College Pension Plan and Municipal Pension Plan, jointly trustee pensions plans. The boards of trustees for these plans represent plan members and employers and are responsible for the management of the pension plan including investment of the assets and administration of benefits. The pension plans are multi-employer contributory benefit pension plans. Basic pension benefits are defined. The College Pension Plan has approximately 11,000 active members from college senior administration and instructional staff and approximately 2,900 retired members. The Municipal Pension Plan has about 130,000 active members, with approximately 4,900 from colleges.

Every three years an actuarial valuation is performed to assess the financial position of the plan and the adequacy of the plan funding. The most recent valuation for the College Pension Plan as at August 31, 2003 indicated an unfunded liability of \$50 million for basic pension benefits. The next valuation will be as at August 31, 2006 with results available in 2007. The most recent valuation for the Municipal Pension Plan as at December 31, 2003 indicated an unfunded liability of \$789 million for basic pension benefits. The next valuation will be as at December 31, 2006 with results available in 2007. The actuary does not attribute portions of the unfunded liability to individual employers. Each employer expenses contributions to the plan in the year in which payments are made. The College paid \$3,668,068 (2005 - \$3,179,085) for employer contributions to the plans in fiscal 2005/2006.

## 10. Related party:

The College exercises significant influence over the Douglas College Foundation (the "Foundation") by virtue of the integration of the operations of both organizations. The Foundation was established to advance education and community services and other charitable activities beneficial to the College. The Foundation is a registered charity under the provisions of the Income Tax Act of Canada. Assets of the Foundation total \$9,012,788 (2005 - \$8,414,298), of which \$8,366,347 (2005 - \$7,726,428) is held as endowments with distribution of donated principal prohibited. All of the remaining funds are held pending distribution in accordance with the donors' terms of reference.

The net assets and results from operations of the Foundation are not included in the statements of the College, but are reported on separately.

# DOUGLAS COLLEGE

Notes to Financial Statements

Year ended March 31, 2006

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## **10. Related party (continued):**

Related party transactions during the year, not separately disclosed in the financial statements, include the following:

- (a) The Foundation received contributions of equipment and cash to be used for capital purchases totalling nil (2005 - \$41,750). The equipment and cash are forwarded to the College as received.
- (b) The Foundation received contributions of \$13,523 (2005 - \$26,577) for use by Douglas College's Institute of Urban Ecology. These funds are forwarded to the College as received by the Foundation.
- (c) The College contributed \$672,967 (2005 - \$737,057) to the Foundation to support student financial aid. Of this amount, \$600,000 is a direct contribution to Foundation.

## **11. Contingencies:**

There are claims pending in which the College is involved. It is considered that the potential claims against the College resulting from such litigation would not materially affect the financial statements of the College.

## **12. Comparative figures:**

Certain of the 2005 comparative figures have been reclassified to conform with the 2006 financial statement presentation.



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## AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION

**The Board of Directors**  
**Douglas College**

We have audited and reported separately herein on the financial statements of Douglas College as at and for the year ended March 31, 2006.

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

Included in Schedule A is the 2006 budget provided by the Board of Directors of the College. We have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of this budget information.

*KPMG LLP*

Chartered Accountants

Burnaby, Canada

May 29, 2006

# DOUGLAS COLLEGE

Operating Fund

Schedule A

Year ended March 31, 2006

	2006 Budget (unaudited)	2006 Actual	2005 Actual
Revenue:			
Ministry of Advanced Education, Annual Grant	\$ 43,965,000	\$ 44,577,982	\$ 43,099,619
Tuition fees	14,374,000	13,858,709	14,162,626
Continuing education course fees	1,702,000	1,430,620	1,371,593
The Training Group grants and contracts	3,868,000	4,870,373	3,725,580
International education:			
Tuition fees	5,141,000	3,985,059	4,209,961
Contracts	597,800	784,453	655,606
Interest	175,000	239,862	176,026
Sundry	1,354,600	2,027,634	1,541,877
Transfer from Ancillary Services Fund	-	169,797	180,666
	<u>71,177,400</u>	<u>71,944,489</u>	<u>69,123,554</u>
Expenses (schedule B):			
Instruction:			
General credit	37,894,100	37,776,656	37,042,282
Continuing education	1,820,000	1,707,551	1,675,941
The Training Group	3,416,000	4,411,021	3,338,769
International education	3,540,900	3,442,837	3,006,337
Support:			
General instruction	5,030,700	5,010,394	4,697,104
Student	5,751,600	5,619,802	5,629,759
Administrative	5,016,400	5,242,632	5,091,340
Facilities	4,652,700	4,759,542	4,546,541
Transfer to Capital Fund	3,300,000	3,300,000	3,606,300
Transfer to Capital - Playing Fields	30,000	30,000	30,000
Transfer to Douglas College Foundation	500,000	500,000	500,000
Transfer to Special Purposes Fund			
- The Training Group	225,000	233,211	159,046
	<u>71,177,400</u>	<u>72,033,646</u>	<u>69,323,419</u>
Excess (deficiency) of revenue over expenses	-	(89,157)	(199,865)
Net assets internally restricted, beginning of year		1,558,135	1,758,000
Transfer from Ancillary Fund Surplus Policy		<u>225,265</u>	<u>-</u>
Net assets internally restricted, end of year		<u>\$ 1,694,243</u>	<u>\$ 1,558,135</u>

# DOUGLAS COLLEGE

Operating Expenses

Schedule B

Year ended March 31, 2006

	Instruction				Support				2006 Total	2005 Total
	General Credit	Continuing Education	The Training Group	International Education	General Instruction	Student	Administrative	Facilities		
Salaries and wages	\$ 29,648,519	\$ 1,193,386	\$ 2,822,090	\$ 2,415,664	\$ 3,247,828	\$ 4,322,999	\$ 3,585,943	\$ 935,908	\$ 48,172,337	\$ 46,231,228
Employee benefits	6,427,654	171,453	340,785	444,850	700,627	840,930	629,371	198,027	9,753,697	9,095,104
Supplies and other	730,472	122,977	431,537	43,327	159,860	138,583	137,216	183,087	1,947,059	1,548,094
Postage and courier	-	8,843	9,945	-	8,537	-	62,731	226,895	316,951	322,964
Books and periodicals	-	-	-	-	506,881	-	-	-	506,881	458,036
Accommodations, mileage and travel	174,082	-	-	81,809	11,887	30,418	55,150	4,088	357,434	385,763
Professional development and memberships	252,346	700	-	19,250	19,228	48,949	45,910	8,141	394,524	396,353
Telephone and computing services	540,255	1,603	82,270	61,439	68,568	214,772	168,225	153,032	1,290,164	1,395,151
Repairs and maintenance	37,927	-	11,533	1,084	7,715	3,647	8,534	1,273,384	1,343,824	1,358,813
Utilities	-	-	-	-	-	-	-	735,087	735,087	697,324
Cleaning and security	-	-	-	-	-	-	-	978,623	978,623	923,081
Legal, severance and retirement	-	-	-	-	-	-	380,596	-	380,596	358,840
College Board and college wide memberships	-	-	-	-	-	-	113,575	-	113,575	111,930
Student and employee recruitment	34,451	19,607	99,985	76,036	315,523	2,656	92,077	-	640,335	462,281
Flow through to partners	-	-	44,584	-	-	-	-	-	44,584	277,556
Continuing Education overhead expense	-	144,034	-	-	-	(36,009)	(36,009)	(72,016)	-	-
Leases and partnership facility operations	5,852	3,193	287,140	-	-	-	-	139,000	435,185	385,964
Student activities, homestay and travel	13,064	37,247	252,497	291,364	-	77,242	-	-	671,414	729,206
Miscellaneous	6,947	5,250	28,655	18,710	-	-	-	-	59,562	56,316
Recoveries	(94,913)	(742)	-	(10,696)	(36,260)	(24,385)	(687)	(3,714)	(171,397)	(165,931)
	<u>\$ 37,776,656</u>	<u>\$ 1,707,551</u>	<u>\$ 4,411,021</u>	<u>\$ 3,442,837</u>	<u>\$ 5,010,394</u>	<u>\$ 5,619,802</u>	<u>\$ 5,242,632</u>	<u>\$ 4,759,542</u>	<u>\$ 67,970,435</u>	<u>\$ 65,028,073</u>
Transfer to Capital Fund									3,330,000	3,636,300
Transfer to Douglas College Foundation									500,000	500,000
Transfer to Special Purpose Fund									233,211	159,046
									<u>\$ 72,033,646</u>	<u>\$ 69,323,419</u>



# DOUGLAS COLLEGE

Ancillary Fund

Schedule C

Year ended March 31, 2006

	2006	2005
Bookstore sales	\$ 4,232,886	\$ 4,230,907
Expenses:		
Cost of sales	3,214,575	3,206,201
Salaries	523,355	534,148
Other	41,139	57,097
	<u>3,779,069</u>	<u>3,797,446</u>
Bookstore (net)	453,817	433,461
Other revenue:		
Parking (net)	209,714	162,536
Cafeteria (net)	150,906	89,910
Vision Centre (net)	36,640	24,306
	<u>397,260</u>	<u>276,752</u>
Ancillary operations before interest and recoveries	851,077	710,213
Interest and recoveries	<u>20,448</u>	<u>21,992</u>
Excess of revenue over expenses	871,525	732,205
Transfers:		
Operating Fund	395,062	180,666
Capital Fund	87,500	634,500
Douglas College Foundation	100,000	100,000
	<u>582,562</u>	<u>915,166</u>
Change in fund balance	288,963	(182,961)
Fund balance, beginning of year	<u>776,975</u>	<u>959,936</u>
Fund balance, end of year	<u>\$ 1,065,938</u>	<u>\$ 776,975</u>
Fund balance consists of:		
Appropriated:		
Legal, severance and early retirement	\$ 150,000	\$ 150,000
Replacement equipment:		
Ancillary services	99,000	87,500
Emergent and insurance	75,000	75,000
Operating capital	375,000	-
Operating Fund - Board Surplus Policy	180,157	225,265
Douglas College Foundation	100,000	100,000
	<u>979,157</u>	<u>637,765</u>
Unappropriated	<u>86,781</u>	<u>139,210</u>
	<u>\$ 1,065,938</u>	<u>\$ 776,975</u>

# DOUGLAS COLLEGE

Capital Fund

Schedule D

Year ended March 31, 2006

	2006	2005
<b>Receipts:</b>		
Ministry of Advanced Education:		
Grant - Operating	\$ 3,683,150	\$ 2,784,156
Grant - Certificates of Approval	3,237,000	844,620
Donations, interest and recoveries	472,062	310,703
Student Union Building fees	243,230	237,202
Transfer from Ancillary Services Fund	87,500	634,500
Transfer from Operating Fund	<u>3,330,000</u>	<u>3,636,300</u>
	<u>11,052,942</u>	<u>8,447,481</u>
<b>Disbursements:</b>		
Capital assets acquired:		
Building additions and renovations	3,573,865	1,182,937
Land	-	(10,408)
Furniture and equipment	1,909,936	1,944,672
Principal payment - Student Union		
Building Sinking Fund	154,130	148,102
Interest on Student Union Sinking Fund	89,100	89,100
Cyclical repairs and maintenance expense	<u>731,737</u>	<u>903,635</u>
	<u>6,458,768</u>	<u>4,258,038</u>
Excess in capital funding during the year	4,594,174	4,189,443
Excess in capital funding, beginning of year	<u>10,580,697</u>	<u>6,391,254</u>
Excess in capital funding, end of year	<u>\$ 15,174,871</u>	<u>\$ 10,580,697</u>
Cunnings Field Turf Replacement Reserve	\$ 224,306	\$ 187,670
Cyclical Maintenance Reserve	3,434,724	2,241,416
Capital Expansion Reserve	9,469,889	6,655,590
David Lam Campus FF&E Reserve	506,000	-
Internally Committed Funds <sup>(1)</sup>	<u>1,539,952</u>	<u>1,496,021</u>
	<u>\$ 15,174,871</u>	<u>\$ 10,580,697</u>

(1) This balance includes funds committed for the completion of 2006/2007 Operating Capital Budget as well as funds for future capital projects.

# DOUGLAS COLLEGE

Special Purposes Fund

Schedule E

Year ended March 31, 2006

	2006	2005
Receipts:		
Grants, Ministry of Advanced Education	\$ 275,741	\$ 284,644
Contracts, contributions and other grants	2,268,719	1,940,687
Transfers from Operating Fund	<u>233,211</u>	<u>159,046</u>
	<u>2,777,671</u>	<u>2,384,377</u>
Disbursements:		
Project salaries and benefits	1,904,083	1,710,148
Other disbursements	<u>813,978</u>	<u>690,515</u>
	<u>2,718,061</u>	<u>2,400,663</u>
Change in fund balance	59,610	(16,286)
Fund balance, beginning of year	<u>2,235,935</u>	<u>2,252,221</u>
Fund balance, end of year	<u>\$ 2,295,545</u>	<u>\$ 2,235,935</u>