

Financial Statements of

DOUGLAS COLLEGE

Year ended March 31, 2008



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AUDITORS' REPORT TO THE BOARD

We have audited the statement of financial position of Douglas College (the "College") as at March 31, 2008 and the statements of operations, changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the College's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, these financial statements present fairly, in all material respects, the financial position of the College as at March 31, 2008 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Chartered Accountants

Burnaby, Canada

May 23, 2008

DOUGLAS COLLEGE

Statement of Financial Position

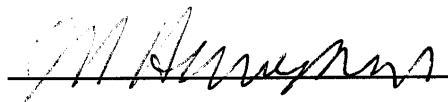
March 31, 2008

	2008	2007
Assets		
Cash and cash equivalents	\$ 33,790,051	\$ 30,832,681
Accounts receivable	1,991,368	4,661,708
Sinking fund investments, current portion (note 3)	1,377,966	-
Prepaid expenses	412,798	427,209
Inventory	631,485	520,091
	38,203,668	36,441,689
Capital assets (note 4)	114,910,421	97,635,426
Sinking fund investments, long-term portion (note 3)	-	1,208,451
TOTAL ASSETS	\$ 153,114,089	\$ 135,285,566
Liabilities and Net Assets		
Accounts payable and accrued liabilities	\$ 6,001,430	\$ 4,489,838
Salaries and wages payable	2,071,633	3,946,784
Accrued vacation pay	5,586,148	5,036,679
Deferred revenue	4,965,238	4,149,092
Current portion of long-term debt (note 5)	1,485,000	-
	20,109,449	17,622,393
Long-term debt (note 5)	-	1,485,000
Deferred capital contributions (note 6)	99,773,021	87,360,580
	119,882,470	106,467,973
Net assets		
Unrestricted	134,168	146,192
Internally restricted (note 7)	23,464,170	23,513,020
Invested in capital assets (note 8)	15,219,429	10,195,060
Unfunded vacation pay	(5,586,148)	(5,036,679)
	33,231,619	28,817,593
TOTAL LIABILITIES AND NET ASSETS	\$ 153,114,089	\$ 135,285,566

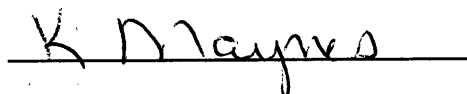
Pension plans (note 9)
Contingencies (note 11)

See accompanying notes to financial statements.

Approved by the Board:



Chair



Vice-President, Finance & Administration

DOUGLAS COLLEGE

Statement of Operations

Year ended March 31, 2008

	2008	2007
Revenue:		
Ministry of Advanced Education, Annual Grant	\$ 54,846,573	\$ 54,929,359
Ministry of Advanced Education, Annual Capital Allowance	1,912,446	1,549,957
Tuition fees	20,745,133	19,958,600
Contracts, contributions and other grants	9,061,417	8,922,378
Amortization of deferred capital contributions (note 6)	4,655,884	4,288,782
Ancillary	728,265	763,808
Interest and recoveries	1,452,464	1,234,691
Student Union Building fees	89,100	89,100
Sundry	1,351,723	1,290,886
	<u>94,843,005</u>	<u>93,027,561</u>
Expenses:		
Instruction	54,803,989	53,725,287
Support	23,194,781	22,750,747
Special Purposes service delivery	3,754,823	3,075,916
Interest on debt	89,100	89,100
Cyclical repairs and maintenance	1,912,446	1,549,957
Amortization of capital assets	5,621,881	5,047,273
Contribution to Douglas College Foundation	645,000	600,000
Cunnings Field resurfacing	406,959	-
	<u>90,428,979</u>	<u>86,838,280</u>
Excess of revenue over expenses	<u>\$ 4,414,026</u>	<u>\$ 6,189,281</u>

See accompanying notes to financial statements.

DOUGLAS COLLEGE

Statement of Changes in Net Assets

Year ended March 31, 2008

	Unrestricted	Internally restricted	Invested in capital assets (note 8)	Unfunded vacation pay	2008 Total	2007 Total
Balance, beginning of year	\$ 146,192	\$ 23,513,020	\$ 10,195,060	\$ (5,036,679)	\$ 28,817,593	\$ 22,628,312
Excess (deficiency) of revenue over expenses	5,380,023	-	(965,997)	-	4,414,026	6,189,281
Net change in invested in capital assets	(5,990,366)	-	5,990,366	-	-	-
Transfers	598,319	(48,850)	-	(549,469)	-	-
Balance, end of year	\$ 134,168	\$ 23,464,170	\$ 15,219,429	\$ (5,586,148)	\$ 33,231,619	\$ 28,817,593

See accompanying notes to financial statements.

DOUGLAS COLLEGE

Statement of Cash Flows

Year ended March 31, 2008

	2008	2007
Cash provided by (used in):		
Operations:		
Excess of revenue over expenses	\$ 4,414,026	\$ 6,189,281
Items not involving cash:		
Amortization of capital assets	5,621,881	5,047,273
Amortization of deferred capital contributions	(4,655,884)	(4,288,782)
Earnings on sinking fund investments	(67,007)	(59,682)
Changes in non-cash operating working capital:		
Accounts receivable	2,670,340	(2,393,788)
Prepaid expenses	14,411	(84,407)
Inventory	(111,394)	126,212
Accounts payable and accrued liabilities	1,511,592	493,920
Salaries and wages payable	(1,875,151)	1,851,154
Accrued vacation pay	549,469	137,001
Deferred revenue	816,146	168,933
	8,888,429	7,187,115
Investments:		
Increase in sinking fund investments	(102,508)	(102,508)
Acquisition of capital assets	(22,896,876)	(18,038,159)
	(22,999,384)	(18,140,667)
Financing:		
Deferred capital contributions received (note 6)	17,068,325	14,968,711
Increase in cash and cash equivalents	2,957,370	4,015,159
Cash and cash equivalents, beginning of year	30,832,681	26,817,522
Cash and cash equivalents, end of year	\$ 33,790,051	\$ 30,832,681
Supplementary information:		
Interest received	\$ 1,408,837	\$ 1,123,966
Non-cash transaction:		
Title transfer of land for funds previously held in trust	-	537,296

See accompanying notes to financial statements.

DOUGLAS COLLEGE

Notes to Financial Statements

Year ended March 31, 2008

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. 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:

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 (continued)

Year ended March 31, 2008

2. Significant accounting policies (continued):

(e) Capital assets (continued):

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

Asset	Period
Buildings	40 years
Furniture and equipment	5 years

(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, which have been designated as held for trading, are stated at fair 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 purposes fund consists of revenue related to contracts and 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 (continued)

Year ended March 31, 2008

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 revenue 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.

(k) Financial instruments:

Effective April 1, 2007, the College adopted the Canadian Institute of Chartered Accountants (CICA) Handbook Section 3855, *Financial Instruments - Recognition and Measurement*, CICA Handbook Section 3861, *Financial Instruments - Disclosure and Presentation*, and CICA Handbook Section 3865, *Hedges*. These new Handbook Sections provide comprehensive requirements for the recognition and measurement of financial instruments, as well as standards on when and how hedge accounting may be applied.

Under these new standards, all financial instruments are classified into one of the following five categories: held for trading, held-to-maturity, loans and receivables, available-for-sale financial assets or other financial liabilities. All financial instruments, including derivatives, are included on the balance sheet and are initially measured at fair market value. Subsequent measurement and recognition of changes in fair value of financial instruments depend on their initial classification. Held for trading financial investments are measured at fair value and all gains and losses are included in excess of revenue over expenses in the period in which they arise. Available-for-sale financial instruments are measured at fair value with revaluation gains and losses included as changes in net asset balances until the asset is removed from the balance sheet. Loans and receivables, investments held-to-maturity and other financial liabilities are measured at amortized cost using the effective interest method.

The standards require derivative instruments to be recorded as either assets or liabilities measured at their fair value unless exempted from derivative treatment as normal purchase and sale. Certain derivatives embedded in other contracts must also be measured at fair value. All changes in the fair value of derivatives are recognized in operations in the period they arise unless specific hedge criteria are met, which require that an entity must formally document, designate and assess the effectiveness of transactions that receive hedge accounting.

The adoption of these new standards has been applied retrospectively and did not have a significant impact on the assets, liabilities, opening net assets, revenues or expenses for the year ended March 31, 2008.

DOUGLAS COLLEGE

Notes to Financial Statements (continued)

Year ended March 31, 2008

2. Significant accounting policies (continued):

(l) Future accounting changes:

Effective April 1, 2008, the College will be adopting the following new sections of the CICA Handbook that were issued but not yet effective as of March 31, 2008:

- (i) Section 3031, *Inventories*, provides more guidance on the measurement and disclosure requirements for inventories; the new standard allows the reversals of previous write-downs to the net realizable value when there is a subsequent increase in the value of inventories. This accounting standard will be applied retrospectively and is anticipated to have no material impact on the financial statements of the College.
- (ii) Sections 3862 and 3863, *Financial Instruments – Disclosures and Presentation*, respectively, establish standards for the presentation of financial instruments and non-financial derivatives, and require additional disclosure of the nature and extent of an entity's exposure to risks arising from financial instruments and how the entity manages those risks.

3. 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.

The College's sinking fund investments are held for the retirement of long-term debt, as described in note 5 and have been designated as held for trading.

	2008	2007
Balance forward from previous year	\$ 1,208,451	\$ 1,046,261
Payments into sinking fund	102,508	102,508
Investment earnings on sinking fund to March 31	67,007	59,682
	<u>\$ 1,377,966</u>	<u>\$ 1,208,451</u>

DOUGLAS COLLEGE

Notes to Financial Statements (continued)

Year ended March 31, 2008

4. Capital assets:

			2008	2007
	Cost	Accumulated amortization	Net book value	Net book value
Land	\$ 4,939,558	\$ -	\$ 4,939,558	\$ 4,939,558
Buildings	139,520,170	41,506,647	98,013,523	83,423,218
Furniture and equipment	19,234,262	9,685,322	9,548,940	6,783,970
Student Union Building	3,211,198	802,798	2,408,400	2,488,680
	<u>\$ 166,905,188</u>	<u>\$ 51,994,767</u>	<u>\$ 114,910,421</u>	<u>\$ 97,635,426</u>

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 2008.

The fair value of the long-term debt at March 31, 2008 is \$1,524,104.

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.

	2008	2007
Balance forward from previous year	\$ 87,360,580	\$ 76,680,651
Additional contributions received	17,068,325	14,968,711
Amounts amortized to revenue	(4,655,884)	(4,288,782)
	<u>\$ 99,773,021</u>	<u>\$ 87,360,580</u>

Included in deferred capital contributions is unspent funds of \$189,063 (2007 - \$196,763) for specific capital assets.

DOUGLAS COLLEGE

Notes to Financial Statements (continued)

Year ended March 31, 2008

7. Net assets internally restricted:

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

	2008	2007
Operating	\$ 3,002,553	\$ 3,107,227
Ancillary	913,000	878,000
Capital	15,964,149	16,462,879
Special Purposes	3,584,468	3,064,914
	<u>\$ 23,464,170</u>	<u>\$ 23,513,020</u>

8. Net assets invested in capital assets:

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

	2008	2007
Capital assets	\$ 114,910,421	\$ 97,635,426
Amounts financed by:		
Long-term debt	(1,485,000)	(1,485,000)
Deferred capital contributions	(99,773,021)	(87,360,580)
Unspent deferred capital contributions (note 6)	189,063	196,763
Sinking fund investments	1,377,966	1,208,451
	<u>(99,690,992)</u>	<u>(87,440,366)</u>
	<u>\$ 15,219,429</u>	<u>\$ 10,195,060</u>

(b) Deficiency of revenue over expenses:

	2008	2007
Amortization of deferred capital contributions	\$ 4,655,884	\$ 4,288,782
Less: amortization of capital assets	(5,621,881)	(5,047,273)
	<u>\$ (965,997)</u>	<u>\$ (758,491)</u>

DOUGLAS COLLEGE

Notes to Financial Statements (continued)

Year ended March 31, 2008

8. Net assets invested in capital assets (continued):

(c) Net change in invested in capital assets:

	2008	2007
Purchase of capital assets	\$ 22,896,876	\$ 18,575,455
Amounts funded by deferred capital contributions, net	(17,068,325)	(15,318,503)
Change in unspent deferred capital contributions	(7,700)	2,920
Change in sinking fund investments	169,515	162,190
	\$ 5,990,366	\$ 3,422,062

9. Pension plans:

The College and its employees contribute to the College Pension Plan and Municipal Pension Plan, jointly trustee pension 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 provided are defined. The College Pension Plan has approximately 11,245 active members from college senior administration and instructional staff and approximately 3,500 retired members. The Municipal Pension Plan has about 145,000 active members, with approximately 5,000 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, 2006 indicated an unfunded liability of \$54 million for basic pension benefits. The next valuation will be as at August 31, 2009 with results available in 2010. The most recent valuation for the Municipal Pension Plan as at December 31, 2006 indicated a surplus of \$438 million for basic pension benefits. The next valuation will be as at December 31, 2009 with results available in 2010. The actuary does not attribute portions of the unfunded liability to individual employers. The College paid \$4,355,907 (2007 - \$3,942,846) for employer contributions to the plans in fiscal 2007/2008.

DOUGLAS COLLEGE

Notes to Financial Statements (continued)

Year ended March 31, 2008

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. Unaudited assets of the Foundation total \$10,533,060 (2007 - \$10,201,778), of which \$9,880,615 (2007 - \$9,611,988) 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 unaudited net assets and results from operations of the Foundation are not included in the statements of the College, but are reported on separately.

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

- (a) The Foundation received \$5,500 in 2008 (2007 - nil) for use by Douglas College's Institute of Urban Ecology. These funds are forwarded to the College as received by the Foundation.
- (b) The College contributed \$791,613 (2007 - \$721,464) to the Foundation to support student financial aid. Of this amount, \$645,000 is a direct contribution to Foundation.

11. Contingencies:

There are several claims pending in which the College is involved arising in the ordinary course of business. It is considered that the potential claims against the College resulting from such litigation would not materially affect the financial statements of the College. Any difference between the liability accrued by the College related to the claims and the amounts ultimately settled will be recorded in the period in which the claim is resolved.

12. Comparative figures:

Certain of the 2007 comparative figures have been reclassified to conform with the 2008 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 (the "College") as at and for the year ended March 31, 2008.

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 D 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 2008 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.

Chartered Accountants

Burnaby, Canada
May 23, 2008

DOUGLAS COLLEGE

Operating Fund

Schedule A

Year ended March 31, 2008

	2008 Budget (unaudited)	2008 Actual	2007 Actual
Revenue:			
Ministry of Advanced Education	\$ 50,595,000	\$ 51,531,559	\$ 50,915,122
Tuition fees:			
General credit	14,659,000	14,271,792	14,193,393
International education	4,444,000	4,656,519	4,189,829
Continuing education course fees and grants	1,590,000	1,816,822	1,621,211
The Training Group grants and contracts	6,067,000	5,980,655	5,542,334
Interest	275,000	410,424	377,223
Sundry	1,287,400	1,351,723	1,290,887
Transfer from Ancillary Fund	-	50,000	189,447
	<u>78,917,400</u>	<u>80,069,494</u>	<u>78,319,446</u>
Disbursements:			
Instruction:			
General credit	44,146,900	43,673,167	43,082,611
Continuing education	1,590,000	1,684,382	1,703,893
The Training Group	5,511,000	5,847,263	5,418,662
International education	3,040,400	3,049,708	2,864,488
Support:			
General instruction	5,828,500	5,721,265	5,466,060
Student	6,615,300	6,728,764	6,458,757
Administrative	5,787,700	5,526,222	6,256,676
Facilities	4,879,600	5,218,530	4,569,252
Transfer to Capital Fund	1,487,000	1,487,000	1,000,000
Transfer to Capital Fund - playing fields	30,000	172,023	30,000
Transfer to Special Purposes Fund			
- The Training Group	556,000	133,392	123,672
Transfer to Douglas College Foundation	545,000	545,000	500,000
	<u>80,017,400</u>	<u>79,786,716</u>	<u>77,474,071</u>
Change in fund balance	<u>\$ (1,100,000)</u>	282,778	845,375
Fund balance, beginning of year		3,107,227	1,694,243
Transfer from (to) David Lam Campus Expansion Reserve		(387,452)	387,452
Transfer from Ancillary Fund – Board surplus policy		-	180,157
Fund balance, end of year		<u>\$ 3,002,553</u>	<u>\$ 3,107,227</u>
Required per Board surplus policy		\$ 2,062,350	
Required to balance 2008/2009 budget		708,000	
Balance available		<u>232,203</u>	
		<u>\$ 3,002,553</u>	

DOUGLAS COLLEGE

Ancillary Fund

Schedule B

Year ended March 31, 2008

	2008	2007
Bookstore sales	\$ 4,250,768	\$ 4,175,595
Expenses:		
Cost of sales	3,175,036	3,126,859
Salaries	660,527	587,922
Other	57,814	55,494
	<u>3,893,377</u>	<u>3,770,275</u>
Bookstore (net)	357,391	405,320
Other revenue:		
Parking (net)	183,199	193,139
Cafeteria (net)	142,414	149,750
Vision Centre (net)	45,261	15,599
	<u>728,265</u>	<u>763,808</u>
Ancillary operations before interest and recoveries	728,265	763,808
Interest and recoveries	<u>22,711</u>	<u>22,354</u>
Excess of revenue over expenses	750,976	786,162
Transfers:		
Operating Fund	50,000	369,604
Capital Fund	578,000	474,000
Douglas College Foundation	100,000	100,000
	<u>728,000</u>	<u>943,604</u>
Change in fund balance	22,976	(157,442)
Fund balance, beginning of year	<u>908,496</u>	<u>1,065,938</u>
Fund balance, end of year	<u>\$ 931,472</u>	<u>\$ 908,496</u>
Fund balance consists of:		
Appropriated:		
Legal, severance and early retirement	\$ 150,000	\$ 150,000
Replacement equipment:		
Ancillary services	263,000	28,000
Emergent and insurance	50,000	50,000
Operating capital	350,000	350,000
Douglas College Foundation	100,000	100,000
David Lam Campus Expansion Reserve	-	200,000
	<u>913,000</u>	<u>878,000</u>
Unappropriated	<u>18,472</u>	<u>30,496</u>
	<u>\$ 931,472</u>	<u>\$ 908,496</u>

DOUGLAS COLLEGE

Capital Fund

Schedule C

Year ended March 31, 2008

	2008	2007
Revenue:		
Ministry of Advanced Education:		
Grant - Operating	\$ 4,061,476	\$ 4,778,949
Grant - Certificates of Approval	16,880,752	14,780,000
Interest and recoveries	1,045,087	858,714
Student Union Building fees	258,614	251,290
Transfer from Ancillary Fund	578,000	474,000
Transfer from Operating Fund – playing fields	172,023	30,000
Transfer from Operating Fund – new programs	237,000	-
Transfer from Operating Fund – New Westminster renovations	500,000	-
Transfer from Operating Fund– Major Capital Reserve	<u>750,000</u>	<u>1,000,000</u>
	<u>24,482,952</u>	<u>22,172,953</u>
Disbursements:		
Capital assets acquired:		
Land	-	537,296
Building additions and renovations	17,470,664	15,767,018
Furniture and equipment	5,426,212	2,042,140
Cunnings Field Replacement	406,959	-
Principal payment - Student Union Building Sinking Fund	169,514	162,190
Interest on Student Union Sinking Fund	89,100	89,100
Cyclical repairs and maintenance expense	<u>1,912,446</u>	<u>1,549,957</u>
	25,474,895	20,147,701
Transfer from (to) David Lam Campus Expansion Reserve	<u>387,452</u>	<u>(387,452)</u>
Change in fund balance	(604,491)	1,637,800
Fund balance, beginning of year	<u>16,812,671</u>	<u>15,174,871</u>
Fund balance, end of year	<u>\$ 16,208,180</u>	<u>\$ 16,812,671</u>
Cunnings Field Turf Replacement Reserve	\$ 43,982	\$ 264,936
Cyclical Maintenance Reserve	4,023,886	3,917,144
Capital Expansion Reserve	7,911,022	10,716,206
David Lam Campus Expansion Reserve	3,170,387	852,168
Internally Committed Funds ⁽¹⁾	<u>1,058,903</u>	<u>1,062,217</u>
	<u>\$ 16,208,180</u>	<u>\$ 16,812,671</u>
Net assets internally restricted	\$ 15,964,149	\$ 16,462,879
Deferred revenue	<u>244,031</u>	<u>349,792</u>
Fund balance	<u>\$ 16,208,180</u>	<u>\$ 16,812,671</u>

(1) This balance includes funds committed for 2007/08 Operating Capital projects in progress, the 2008/09 Operating Capital Budget and funds for future capital projects.

DOUGLAS COLLEGE

Special Purposes Fund

Schedule D

Year ended March 31, 2008

	2008	2007
Revenue:		
Grants, Ministry of Advanced Education	\$ 1,060,223	\$ 907,037
Contracts, contributions and other grants	3,080,762	3,562,208
Transfers from Operating Fund	<u>133,392</u>	<u>123,672</u>
	<u>4,274,377</u>	<u>4,592,917</u>
Disbursements:		
Project salaries and benefits	2,082,189	2,128,018
Other disbursements	<u>1,672,634</u>	<u>1,695,530</u>
	<u>3,754,823</u>	<u>3,823,548</u>
Change in fund balance	519,554	769,369
Fund balance, beginning of year	<u>3,064,914</u>	<u>2,295,545</u>
Fund balance, end of year	<u>\$ 3,584,468</u>	<u>\$ 3,064,914</u>