

College of the Rockies

FINANCIAL STATEMENTS

For the Year Ended March 31, 2009



COLLEGE OF THE ROCKIES

FINANCIAL STATEMENTS

For Year Ended March 31, 2009

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Auditor's Report

**To the Board of Directors
College of The Rockies**

We have audited the statement of financial position of College of the Rockies as at March 31, 2009 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, 2009 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

Cranbrook, BC
April 20, 2009



Box 8500
Cranbrook, BC V1C 5L7

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

FINANCIAL STATEMENTS

March 31, 2009

The accompanying Financial Statements are the responsibility of management and have been approved by the Board of Governors of the College of the Rockies. The Financial Statements were prepared in accordance with Generally Accepted Accounting Principles and the financial directives of the Ministry of Advanced Education and, of necessity, include some amounts that are based on estimates and judgements.

To discharge its responsibility for the integrity and objectivity of financial reporting, management maintains a system of internal accounting controls comprising written policies, standards and procedures, a formal authorization structure and satisfactory processes for reviewing internal controls. This system is designed to provide management with reasonable assurance that transactions are in accordance with governing legislation, are properly authorized, reliable financial records are maintained, and assets are adequately accounted for and safeguarded. The Board of Governors has established a code of ethics and corporate directives, which require communication of the code to the employees.

The Board of Governors carries out its responsibility for the financial statements through the Board Finance/Audit Committee. This Committee meets with management and the external auditor to discuss and review financial matters and recommends the financial statements to the Board for approval. The external auditor has full and free access to the Finance/Audit Committee.

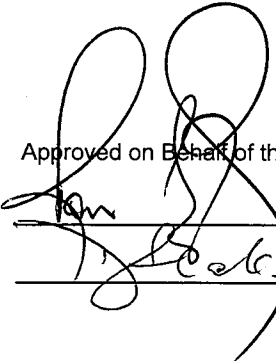
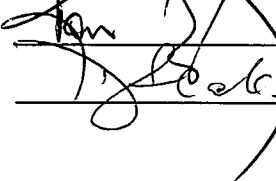
Dr. N.A. Rubidge, President & CEO
June 24, 2009

Dianne Teslak, Bursar
June 24, 2009

COLLEGE OF THE ROCKIES
STATEMENT OF FINANCIAL POSITION
As At March 31, 2009

	GENERAL OPERATING FUND	ANCILLARY SERVICES FUND	SPECIAL PURPOSE FUND	CAPITAL FUND	TRUST FUND	TOTAL FOR YEAR ENDED 2009	TOTAL FOR YEAR ENDED 2008
	\$	\$	\$	\$	\$	\$	\$
ASSETS							
Cash	7,254,168			5,022,251	888,807	13,165,226	15,085,244
Accounts Receivable	910,096	7,862		28,038	77,522	1,023,518	1,016,746
Prepaid Expenses	109,973					109,973	109,899
Investments (Note 3)	4,981,347	11,750			3,445,284	8,438,381	6,410,908
Inventories		267,741				267,741	164,931
Endowment Funds (Note 4)					216,141	216,141	259,041
Capital Assets (Note 5)				31,262,817		31,262,817	31,774,905
Sinking Fund (Note 6)				2,153,452		2,153,452	1,864,569
Interfund Balance	(8,148,320)	523,389	7,531,258	32,672	61,001	0	0
	<u>5,107,264</u>	<u>810,742</u>	<u>7,531,258</u>	<u>38,499,230</u>	<u>4,688,755</u>	<u>56,637,249</u>	<u>56,686,243</u>
LIABILITIES							
Accounts Payable and Accrued Liabilities (Note 7)	2,079,542	16,613		121,283		2,217,438	2,059,529
Deferred Revenue (Note 8)	1,718,229	41,575	4,189,307			5,949,111	5,356,658
Deferred Contribution					2,731,249	2,731,249	2,415,585
Deferred Capital Contribution (Note 9)				31,638,754		31,638,754	33,156,548
Debentures Payable (Note 6)				2,783,387		2,783,387	2,779,233
	<u>3,797,771</u>	<u>58,188</u>	<u>4,189,307</u>	<u>34,543,424</u>	<u>2,731,249</u>	<u>45,319,939</u>	<u>45,767,553</u>
NET ASSETS							
-Unrestricted	1,309,493	752,554		4,961,679		7,023,726	10,072,376
-Invested in Capital Assets (Note 10)				(1,005,873)		(1,005,873)	(2,296,307)
-Restricted for Endowments					1,602,569	1,602,569	952,319
-Internally Restricted			3,341,951		354,937	3,696,888	2,190,302
	<u>1,309,493</u>	<u>752,554</u>	<u>3,341,951</u>	<u>3,955,806</u>	<u>1,957,506</u>	<u>11,317,310</u>	<u>10,918,690</u>
	<u>5,107,264</u>	<u>810,742</u>	<u>7,531,258</u>	<u>38,499,230</u>	<u>4,688,755</u>	<u>56,637,249</u>	<u>56,686,243</u>

Approved on Behalf of the Board


 _____ Chair

 _____ Bursar

Commitments (Note 12)

See Accompanying Notes to Financial Statements

COLLEGE OF THE ROCKIES
STATEMENT OF OPERATIONS AND NET ASSETS
As At March 31, 2009

EXHIBIT B

	GENERAL OPERATING FUND	ANCILLARY SERVICES FUND	SPECIAL PURPOSE FUND	CAPITAL FUND	TRUST FUND	2009	2008
	\$	\$	\$	\$	\$	\$	\$
REVENUE							
Provincial Government Grants	17,774,604		1,028,787	786,361		19,589,752	18,343,999
Tuition Fees	3,430,664		7,683			3,438,347	4,065,554
Other Income	2,388,261	1,221,000	3,145,975	294,185	313,168	7,362,589	6,589,187
Amortization of Deferred Contributions				1,785,994		1,785,994	1,247,025
	<u>23,593,529</u>	<u>1,221,000</u>	<u>4,182,445</u>	<u>2,866,540</u>	<u>313,168</u>	<u>32,176,682</u>	<u>30,245,765</u>
EXPENSES							
Academic Programs	2,737,083					2,737,083	2,862,452
Technical Program	2,092,794					2,092,794	1,949,044
Vocational Programs	9,404,725					9,404,725	9,062,667
Community Education Services	1,996,829					1,996,829	1,860,789
Student Services	1,634,028					1,634,028	1,572,572
Administration	5,563,269					5,563,269	4,810,667
Ancillary Services		1,190,914				1,190,914	1,053,966
Special Purpose			3,873,850			3,873,850	3,157,079
Leases & Property Taxes						0	23,702
Capital Fund				1,064,890		1,064,890	824,172
Trust Fund					315,668	315,668	129,168
Accrued Payroll Benefits	534,703					534,703	68,091
Amortization Expense				2,019,559		2,019,559	1,496,687
	<u>23,963,431</u>	<u>1,190,914</u>	<u>3,873,850</u>	<u>3,084,449</u>	<u>315,668</u>	<u>32,428,312</u>	<u>28,871,056</u>
Excess (Deficiency) of Revenues Over Expenses	<u>(369,902)</u>	<u>30,086</u>	<u>308,595</u>	<u>(217,909)</u>	<u>(2,500)</u>	<u>(251,630)</u>	<u>1,374,709</u>
Net Assets Beginning of Year	<u>3,417,176</u>	<u>710,868</u>	<u>1,748,022</u>	<u>3,648,025</u>	<u>1,394,599</u>	<u>10,918,690</u>	<u>9,402,083</u>
Endowment Contributions	3,047,274	740,954	2,056,617	3,430,116	1,392,099	10,667,060	10,776,792
Interfund Transfers	(1,737,781)	11,600	1,285,334	525,690	(84,843)	650,250	141,898
						650,250	0
Net Assets End of Year	<u>1,309,493</u>	<u>752,554</u>	<u>3,341,951</u>	<u>3,955,806</u>	<u>1,957,506</u>	<u>11,317,310</u>	<u>10,918,690</u>

See Accompanying Notes to Financial Statements

COLLEGE OF THE ROCKIES
STATEMENT OF CASH FLOWS
As At March 31, 2009

	2009	2008
	\$	\$
Cash Provided by (Used In)		
Operating Activities:		
Excess of Revenue over Expenditures	(251,630)	1,374,709
Items not Involving Cash:		
Amortization of Capital Assets	2,019,559	1,496,687
Amortization of Deferred Capital Contributions	(1,785,994)	(1,247,025)
(Gain) Loss on Disposal of Capital Assets	(1,133)	-
(Gain) on Investments and Sinking Fund	(408,083)	(334,607)
Increase in Debenture Financing	4,157	4,153
Net Change in Non-Cash Working Capital (Note 13)	48,253	(129,349)
Increase (Decrease) in Deferred Revenue	592,453	261,097
Increase in Deferred Contributions	315,664	279,492
	533,246	1,705,157
Financing and Investing Activities:		
Decrease (Increase) in Investments and Endowment Funds	(1,629,569)	(191,687)
Purchase of Capital Assets	(1,507,475)	(3,902,114)
Proceeds on Disposal of Capital Assets	1,133	-
Increase in Sinking Fund	(235,803)	(61,186)
Increase in Deferred Contributions Related to Capital Assets	268,200	1,073,042
Endowment Contributions	650,250	141,898
	(2,453,264)	(2,940,047)
Decrease in Cash	(1,920,018)	(1,234,890)
Cash, Beginning of Year	15,085,244	16,320,134
Cash, End of Year	13,165,226	15,085,244
Supplemental Cash Flow Information:		
Cash Paid During the Year for Interest	210,000	210,000
Cash Received During the Year for Interest	280,967	466,133

See Accompanying Notes to Financial Statements

COLLEGE OF THE ROCKIES
NOTES TO THE FINANCIAL STATEMENTS
Year Ended March 31, 2009

1. STATUS OF THE COLLEGE

The College, a Not-for-Profit Organization, was designated as East Kootenay Community College under Section 5 of the College and Institute Act by the Lieutenant-Governor in Council on November 24, 1978, effective December 1, 1978. The College was renamed the College of the Rockies by Order-in-Council No. 1329, Government of British Columbia, November 2, 1995.

The College is a registered charity under the Income Tax Act and accordingly is exempt from income taxes provided certain requirements of the Income Tax Act are met.

The College of the Rockies has campuses in Cranbrook, Creston, Fernie, Golden, Invermere, and Kimberley.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Presentation

The financial statements have been prepared by management in accordance with generally accepted accounting principles. The preparation of these financial statements in conformity with generally accepted principles requires management to make estimates and assumptions that affect the reported amounts in the financial statements. Specific areas of estimate are in the rate of amortization of capital assets and in the revenue recognition of contract services. Actual results may differ from those estimates.

b) Fund Accounting

The resources and operations of the College are segregated into various funds for accounting and financial reporting purposes, each being treated as a separate entity with responsibility for the assets allocated to it.

The General Operating Fund accounts for the instructional, administrative and other operational costs financed by grants, tuition fees and other general income. It also records the related assets, liabilities and net assets.

The Ancillary Services Fund accounts for funds received and expended in operating the College bookstore and residence. Interest expense on debt incurred for the acquisition of the residence is reflected in this fund.

The Special Purpose Fund accounts for funds received for specific purposes and that are not considered part of the ongoing operation of the College.

The Capital Fund accounts for funds available and expended for the acquisition of capital assets and deferred capital contributions. Revenue and expenses associated with capital assets is also reflected in the Capital Fund.

The Trust Fund accounts for funds designated to specific long-term activities financed by public contributions, grants and other income.

COLLEGE OF THE ROCKIES
NOTES TO THE FINANCIAL STATEMENTS
Year Ended March 31, 2009

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

c) Revenue Recognition

The College follows the deferral method of accounting for contributions which primarily consist of government grants.

Government grants are accounted for as unrestricted contributions or externally restricted contributions in accordance with the terms of funding.

Externally restricted non-capital contributions are deferred and recognized as revenue in the period in which the related expenses are incurred.

Externally restricted capital contributions are recorded as deferred contributions until the amount is invested in capital assets. Contributions for capital assets that will be amortized are transferred to deferred capital contributions in the period the asset is acquired. Unamortized deferred capital contributions are recognized as revenue in the period in which the related capital assets are amortized to indicate how the amortization expense has been funded. Unamortized deferred capital contributions relating to capital assets disposed of are recognized as revenue in the period of disposal, provided that all restrictions have been complied with.

Externally restricted capital contributions for non-depreciable capital assets are recognized as direct increases in net assets.

Endowment contributions are recognized as direct increases in endowment net assets in the period which they are received.

Restricted investment income is recognized as revenue in the year in which the related expenses are recognized. Unrestricted investment income is recognized as revenue when earned.

Net revenue from incomplete special purpose fund projects of which the funding was externally designated is recorded as deferred revenue. Income or loss from projects is recognized at project completion.

Tuition and related fees are deferred to the extent that the courses extend beyond the fiscal year of the College.

d) Inventories

Inventories are valued at the lower of cost and net realizable value on a first-in, first-out basis.

e) Investments

Investments consist primarily of fixed income and Canadian equities. They are considered held for trading and are recorded at market value for the current year.

COLLEGE OF THE ROCKIES
NOTES TO THE FINANCIAL STATEMENTS
Year Ended March 31, 2009

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

f) Capital Assets

Capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of the contribution. Repairs and maintenance costs are charged to expense. Betterments which extend the estimated useful life of an asset are capitalized. Amortization is provided on a straight-line basis using the following annual rates:

Buildings (Concrete/Steel, Wood Frame)	2.5%, 5.0%
Renovations (Concrete/Steel, Wood Frame)	2.5%, 5.0%
Library Acquisition	10.0%
Computers & Software	25.0%
Furniture & Equipment	20.0%
Leasehold Improvement	life of lease

g) Financial Instruments

Held for Trading:

Any financial instrument whose fair value can be reliably measured may be designated as held for trading on initial recognition or adoption of CICA 3855 *Financial Instruments - Recognition and Measurement*. The College has designated investments, endowment funds, and sinking funds as held for trading. These instruments on initial recognition are recorded at fair value and net gains and losses arising from changes in fair value, determined by published price quotations in an active market, are recognized immediately in income. Transaction costs to purchase or sell these instruments are recognized in income on the settlement date.

Loans and receivables:

The College has classified accounts receivable as loans and receivables. This financial asset is initially recognized at its fair value, which is approximated by the instrument's initial cost in a transaction between unrelated parties. Loans and receivables are subsequently measured at their amortized cost, using the effective interest method. Gains and losses arising from changes in fair value are recognized in net income upon derecognition or impairment.

Other financial liabilities:

The College has classified accounts payable and debentures payable as other financial liabilities. This financial liability is initially recognized at its fair value, which is approximated by the instrument's initial cost in a transaction between unrelated parties. Other financial liabilities are subsequently measured at their amortized cost, using the effective interest method. Gains and losses arising from changes in fair value are recognized in net income upon derecognition or impairment.

COLLEGE OF THE ROCKIES
NOTES TO THE FINANCIAL STATEMENTS
Year Ended March 31, 2009

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

h) Capital Disclosures

The College's primary objective when managing capital is to safeguard its ability to provide services to students. The College considers its capital to be net assets invested in capital assets and other net assets. The College is not subject to any externally imposed capital requirements other than the establishment and funding of a sinking fund for future debt retirement as disclosed in Note 6.

The College's object when managing capital is to maintain a stable financial structure by matching its capital to the underlying nature and terms of the asset being funded and to hold sufficient unrestricted net assets to enable it to withstand negative unexpected financial events. The College seeks to maintain sufficient liquidity to enable it to meet its obligations as they become due and follows a prudent investment policy designed to ensure a low risk return on investment consistent with the long-term goals and future obligations of the College.

3. INVESTMENTS

Investments in the amount of \$8,353,522 market value (2008 - \$6,328,609 market value) have been made in various Provincial Government and Bank bonds ranging from a low interest rate of 3.55% to a high of 6.25%. Maturity dates range from April 2009 up to April 2015.

\$84,859 market value (2008 - \$82,299 market value) is invested with the Municipal Finance Authority in a Money Market Fund earning an annual compound interest rate at March 31, 2009 of 3.08%.

4. ENDOWMENT FUNDS

\$160,000 has been invested with the Vancouver Foundation and is not controlled by the College, nor can it be converted to other uses by the College. Interest earned is included in the scholarship trust fund and disbursed for scholarships and bursaries. The market value of this investment is \$172,625.

\$39,500 of marketable securities have been donated to the College of which the principal must be maintained and the income earned is included in the scholarship trust fund and disbursed for scholarships and bursaries. The market value of these securities are \$43,516.

5. CAPITAL ASSETS

	<u>COST</u>	<u>ACCUMULATED AMORTIZATION</u>	<u>2009 NET BOOK VALUE</u>	<u>2008 NET BOOK VALUE</u>
	\$	\$	\$	\$
Land	1,093,131	0	1,093,131	1,093,131
Buildings	41,900,449	15,313,863	26,586,586	27,020,460
Renovations	3,216,975	1,603,751	1,613,224	1,723,869
Library Acquisition	206,725	206,725	0	0
Computers & Software	3,646,497	2,955,832	690,665	800,937
Furniture & Equipment	8,159,365	6,880,154	1,279,211	1,136,508
Leasehold Improvement	20,433	20,433	0	0
Total	<u>58,243,575</u>	<u>26,980,758</u>	<u>31,262,817</u>	<u>31,774,905</u>

COLLEGE OF THE ROCKIES
NOTES TO THE FINANCIAL STATEMENTS
Year Ended March 31, 2009

5. CAPITAL ASSETS (Continued)

The land on which the Cranbrook campus is located was acquired for \$1 and was within the Agricultural Land Reserve, with permission given by the Agricultural Land Commission for the construction of the campus and related facilities. As of January 12, 1994, the Provincial Agricultural Land Commission excluded Cranbrook campus land from the Agricultural Land Reserve, with permission to create an access corridor within the Agricultural Land Reserve in the future.

The College of the Rockies has no direct insurance coverage against loss of capital assets except vehicles and the Residence building. The Ministry of Advanced Education's *University, College & Institute Protection Program* provides College property insurance and claims for loss of College property must be submitted to the Province of British Columbia to be considered for compensation.

6. DEBENTURES PAYABLE and SINKING FUND

College of the Rockies, under Section 22.1 of the *College and Institute Act*, issued a debenture for \$2,800,000 for the purpose of constructing a residence.

	<u>INTEREST RATE</u>	<u>ISSUE DATE YR/MO/DAY</u>	<u>DUE DATE YR/MO/DAY</u>	<u>AMOUNT</u>	<u>MARKET VALUE at MARCH 31, 2009</u>
				\$	\$
Issue EKCC-CD-Q	7.50%	1994/01/05	2014/06/09	2,800,000	3,475,828
Unamortized Discount				<u>16,613</u>	
				<u><u>2,783,387</u></u>	

The College is responsible annually for a sinking fund contribution of \$61,186 and interest payments on the debenture of \$210,000. The sinking fund primarily consists of investments in government bonds with maturity dates in 2014. The sinking fund has a market value at March 31, 2009 of \$2,153,452 (2008 - \$1,864,569).

7. ACCRUED PAYROLL BENEFITS

The Accounts Payable and Accrued Liabilities includes an amount of \$611,231 (2008 - \$581,745) which represents the value of accrued payroll benefits.

COLLEGE OF THE ROCKIES
NOTES TO THE FINANCIAL STATEMENTS
Year Ended March 31, 2009

8. DEFERRED REVENUE

	OPERATING FUND	ANCILLARY SERVICES FUND	SPECIAL PURPOSE FUND	2009	2008
	\$	\$	\$	\$	\$
Amounts Received					
Tuition Fees	3,473,847		7,683	3,481,530	5,033,693
Grants and Other Revenue	20,294,631	1,219,405	4,593,861	26,107,897	23,051,847
	<u>23,768,478</u>	<u>1,219,405</u>	<u>4,601,544</u>	<u>29,589,427</u>	<u>28,085,540</u>
Revenue Recognized					
Tuition Fees	3,430,664		7,683	3,438,347	4,065,554
Grants and Other Revenue	20,162,865	1,221,000	4,174,762	25,558,627	23,759,195
	<u>23,593,529</u>	<u>1,221,000</u>	<u>4,182,445</u>	<u>28,996,974</u>	<u>27,824,749</u>
Increase in Deferred Revenue	174,949	(1,595)	419,099	592,453	261,097
Balance, Beginning of Year	<u>1,543,280</u>	<u>43,170</u>	<u>3,770,208</u>	<u>5,356,658</u>	<u>5,095,561</u>
Balance, End of Year	<u><u>1,718,229</u></u>	<u><u>41,575</u></u>	<u><u>4,189,307</u></u>	<u><u>5,949,111</u></u>	<u><u>5,356,658</u></u>

9. DEFERRED CAPITAL CONTRIBUTIONS

Deferred capital contributions related to capital assets represent the unamortized external funding received for the purchase of capital assets. The amortization of capital contributions is recorded as revenue in the Statement of Operations.

	SINKING FUND GRANT	OPERATING CAPITAL GRANT	DEBENTURES	2009	2008
	\$	\$	\$	\$	\$
Balance, Beginning of Year	4,461,178	0	28,695,370	33,156,548	33,330,531
Contribution for Government Grants			268,200	268,200	1,073,042
Revenue Recognized	<u>(359,153)</u>	<u>0</u>	<u>(1,426,841)</u>	<u>(1,785,994)</u>	<u>(1,247,025)</u>
Balance, End of Year	<u><u>4,102,025</u></u>	<u><u>0</u></u>	<u><u>27,536,729</u></u>	<u><u>31,638,754</u></u>	<u><u>33,156,548</u></u>

	2009	2008
	\$	\$
The balance of unamortized capital contributions related to capital assets consists of the following:		
Unamortized Capital Contributions Used to Purchase Capital Assets	31,262,817	31,774,905
Unspent Contribution	<u>375,937</u>	<u>1,381,643</u>
	<u><u>31,638,754</u></u>	<u><u>33,156,548</u></u>

COLLEGE OF THE ROCKIES
NOTES TO THE FINANCIAL STATEMENTS
Year Ended March 31, 2009

10. INVESTED IN CAPITAL ASSETS

a) Investment in Capital Assets

	2009	2008
	\$	\$
Capital Assets, Net of Accumulated Amortization	31,262,816	31,774,905
Amounts Funded by		
Debt, Net of Sinking Fund Investment	(629,935)	(914,664)
Deferred Capital Contributions	(31,638,754)	(33,156,548)
	(1,005,873)	(2,296,307)

b) Change in Net Assets Invested in Capital Assets

	2009	2008
	\$	\$
Excess (Deficiency) of Revenues Over Expenditures		
Amortization of Deferred Contributions Related to Capital Assets	1,785,994	1,247,025
Amortization of Capital Assets	(2,019,559)	(1,496,687)
Other	0	0
	(233,565)	(249,662)
Net Change in Investment in Capital Assets		
Purchase of Capital Assets	1,507,475	3,902,114
Amounts Funded by		
Deferred Contributions	(268,200)	(1,073,042)
Debt	(4,157)	(4,153)
Sinking Fund Increase	288,883	197,920
	1,524,001	3,022,839
	1,290,436	2,773,177

COLLEGE OF THE ROCKIES
NOTES TO THE FINANCIAL STATEMENTS
Year Ended March 31, 2009

11. 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 pension plans. Basic pension benefits provided are defined. The College Pension Plan has about 11,000 active members from college senior administration and instructional staff and approximately 3,500 retired members. The Municipal Pension Plan has about 150,000 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 surplus to individual employers. The College of the Rockies paid \$1,173,017 (2008- \$1,121,556) for employer contributions to the plan in fiscal 2009.

12. COMMITMENTS

The College is committed under the following lease agreements:

	PHOTOCOPIERS
	\$
2009/2010	15,105
2010/2011	15,105

13. NET CHANGE IN NON-CASH WORKING CAPITAL

	2009	2008
	\$	\$
Accounts Receivable	(6,772)	465,730
Prepaid Expenses	(74)	450
Inventories	(102,810)	(45,802)
Accounts Payable and Accrued Liabilities	157,909	(549,727)
	48,253	(129,349)

14. COMPARATIVE AMOUNTS

Certain comparative figures have been restated, where necessary, to conform to the current year's presentation.

15. SUBSEQUENT EVENT

On April 8, 2009 the College received notification of approval of a \$12.7 million expansion and building upgrade at the Cranbrook campus. The project will commence in the 2009/10 fiscal year.



BDO Dunwoody LLP
Chartered Accountants
and Advisors

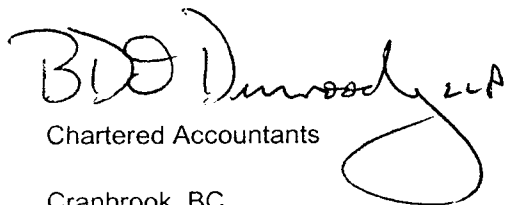
35 10th Avenue South
Cranbrook BC Canada V1C 2M9
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Notice to Reader

Management has compiled the financial information schedules of the College of the Rockies for the year ended March 31, 2009 for purposes of additional analysis and are not a required part of the financial statements.

We have not performed an audit or a review engagement in respect of these exhibits and, accordingly, we express no assurance thereon.

Readers are cautioned that these statements may not be appropriate for their purposes.


Chartered Accountants

Cranbrook, BC
April 20, 2009

COLLEGE OF THE ROCKIES
SCHEDULE OF GRANTS, TUITION FEES AND OTHER INCOME
As At March 31, 2009

	GENERAL OPERATING FUND	ANCILLARY SERVICES FUND	SPECIAL PURPOSE FUND	CAPITAL FUND	TRUST FUND	2009	2008
	\$	\$	\$	\$	\$	\$	\$
PROVINCIAL GOV'T GRANTS							
Continuing Programs	15,872,943					15,872,943	15,387,606
Industry Training Authority	1,901,661					1,901,661	1,819,599
Other Activities			1,028,787			1,028,787	723,731
Leases & Property Taxes					0	0	20,239
Repairs and Maintenance				786,361		786,361	592,674
Amortization of Deferred Contributions				1,785,994		1,785,994	1,247,025
	<u>17,774,604</u>	<u>0</u>	<u>1,028,787</u>	<u>2,572,355</u>	<u>0</u>	<u>21,375,746</u>	<u>19,790,874</u>
TUITION FEES							
Full Time Programs	2,150,421					2,150,421	2,805,720
Part Time Programs	208,511					208,511	163,691
Community Ed Programs	1,071,732		7,683			1,079,415	1,096,143
	<u>3,430,664</u>	<u>0</u>	<u>7,683</u>	<u>0</u>	<u>0</u>	<u>3,438,347</u>	<u>4,065,554</u>
OTHER INCOME							
Contract Services	1,060,214		1,392,895			2,453,109	2,183,632
Other Agencies			1,748,307			1,748,307	1,261,519
Ancillary Services		1,221,000				1,221,000	1,137,851
Investment Income	203,122			234,054	77,845	515,021	756,263
Other	809,468		423,872	7,051	511,441	1,751,832	1,275,144
Gain/Loss on Recording to MV	315,457			53,080	39,546	408,083	334,607
	<u>2,388,261</u>	<u>1,221,000</u>	<u>3,565,074</u>	<u>294,185</u>	<u>628,832</u>	<u>8,097,352</u>	<u>6,949,016</u>
	<u>23,593,529</u>	<u>1,221,000</u>	<u>4,601,544</u>	<u>2,866,540</u>	<u>628,832</u>	<u>32,911,445</u>	<u>30,805,444</u>
DEFERRED REVENUE							
			(419,099)		(315,664)	(734,763)	(559,679)
	<u>23,593,529</u>	<u>1,221,000</u>	<u>4,182,445</u>	<u>2,866,540</u>	<u>313,168</u>	<u>32,176,682</u>	<u>30,245,765</u>

COLLEGE OF THE ROCKIES
SCHEDULE OF EXPENDITURE DETAIL
As At March 31, 2009

	GENERAL OPERATING FUND	ANCILLARY SERVICES FUND	SPECIAL PURPOSE FUND	CAPITAL FUND	TRUST FUND	2009	2008
	\$	\$	\$	\$	\$	\$	\$
PERSONNEL							
Salaries and Wages	15,380,496	197,636	1,577,711	1,655		17,157,498	15,922,751
Group Benefits	3,019,562	39,907	281,037	101		3,340,607	3,138,833
Professional Development	131,386				43,469	174,855	163,638
Staff Recruitment	53,835	43	9,714			63,592	59,739
	<u>18,585,279</u>	<u>237,586</u>	<u>1,868,462</u>	<u>1,756</u>	<u>43,469</u>	<u>20,736,552</u>	<u>19,284,961</u>
NON-PERSONNEL							
General Supplies	995,199	11,534	220,939	248,028		1,475,700	1,255,499
Repairs and Maintenance	181,536	1,254	5,840	8,911	517	198,058	188,011
Leases and Rentals	13,027		91,698			104,725	108,602
Hospitality and Travel	450,738	2,022	431,618			884,378	853,565
Telephone	52,135	427	12,282			64,844	76,893
Public Relations	223,372	1,229	59,184	551		284,336	276,606
Printing and Photocopying	205,062	4,662	68,911	149		278,784	289,661
Postage and Freight	82,840	26,479	13,170			122,489	114,647
Data Communications	31,037	1,361	6,612			39,010	34,187
Facilities	514,201	51,775	1,072	801,338		1,368,386	1,151,813
External Computer Services	1,993					1,993	1,964
Professional Fees	1,736,465	32,693	599,507			2,368,665	2,295,817
College Membership Fees	279,344	826	15,287			295,457	285,471
Miscellaneous	566,660	7,053	479,268	4,157	0	1,057,138	252,682
Lease and Property Taxes						0	23,702
Amortization Expense				2,019,559		2,019,559	1,496,687
Debt Service - COTR		210,000				210,000	210,000
Scholarship Payments	44,543				271,682	316,225	135,236
Bookstore Cost of Sales		602,013				602,013	535,052
	<u>5,378,152</u>	<u>953,328</u>	<u>2,005,388</u>	<u>3,082,693</u>	<u>272,199</u>	<u>11,691,760</u>	<u>9,586,095</u>
	<u>23,963,431</u>	<u>1,190,914</u>	<u>3,873,850</u>	<u>3,084,449</u>	<u>315,668</u>	<u>32,428,312</u>	<u>28,871,056</u>

COLLEGE OF THE ROCKIES
ANCILLARY SERVICES FUND
As At March 31, 2009

	BOOKSTORE		STUDENT RESIDENCE		2009	2008
	2009	2008	2009	2008		
	\$	\$	\$	\$	\$	\$
SALES	840,921	740,455			840,921	740,455
COST OF SALES	602,013	535,052			602,013	535,052
GROSS MARGIN	238,908	205,403			238,908	205,403
RESIDENCE REVENUE			380,079	397,396	380,079	397,396
	238,908	205,403	380,079	397,396	618,987	602,799
EXPENDITURE						
Salaries and Benefits	142,130	105,526	95,414	80,941	237,544	186,467
Supplies and Other Expenses	39,102	31,982	312,255	300,465	351,357	332,447
	181,232	137,508	407,669	381,406	588,901	518,914
EXCESS REVENUE	57,676	67,895	(27,590)	15,990	30,086	83,885
NET ASSETS - UNRESTRICTED						
Beginning of Year	694,878	627,633	15,990	0	710,868	627,633
Interfund Transfers		(650)	11,600		11,600	(650)
End of Year	752,554	694,878	0	15,990	752,554	710,868

**COLLEGE OF THE ROCKIES
SPECIAL PURPOSE FUND
REVENUE, EXPENDITURE AND DEFERRED REVENUE
As At March 31, 2009**

	REVENUE			EXPENDITURE			EXCESS OF REVENUE	INTERNALLY RESTRICTED NET ASSETS AND DEFERRED REVENUE	INTERNALLY RESTRICTED NET ASSETS AND DEFERRED REVENUE		
	GRANTS	FEES	TOTAL	SALARIES & BENEFITS	OTHER EXPENSES	TOTAL		BEGINNING	INTERFUND		END OF
								OF YEAR	TRANSFERS		YEAR
	\$	\$	\$	\$	\$	\$	\$	\$	\$		
PROVINCIAL GOVERNMENT											
Ministry Contracts	194,750	268,450	463,200	356,689	200,870	557,559	(94,359)	405,838	27,706	339,185	
PROVINCIAL INITIATIVES											
Vocational		2,400	2,400		42	42	2,358	35,513	0	37,871	
Developmental Studies	20,000		20,000	19,527		19,527	473	53,525	0	53,998	
Student Services	205,803	1,452	207,255	143,825	68,675	212,500	(5,245)	138,085	0	132,840	
Other		0	0			0	0	149,722	0	149,722	
Other Provincial Contracts		15,434	15,434			0	15,434	632	0	16,066	
	225,803	19,286	245,089	163,352	68,717	232,069	13,020	377,477	0	390,497	
OTHER ORGANIZATION											
Federal Contracts	365,400	1,019,447	1,384,847	551,376	510,256	1,061,632	323,215	270,137	(100,696)	492,656	
Industry Contracts		1,027,271	1,027,271	182,965	613,150	796,115	231,156	41,367	(92,714)	179,809	
	365,400	2,046,718	2,412,118	734,341	1,123,406	1,857,747	554,371	311,504	(193,410)	672,465	
SELF FUNDED PROGRAMS											
Institutes		3,730	3,730		544	544	3,186	(3,015)	(170)	1	
Annual Projects		264,371	264,371	103,431	160,947	264,378	(7)	591,416	(94,997)	496,412	
Temporary Projects	242,834	31,788	274,622	6,579	74,933	81,512	193,110	1,967,246	(1,344)	2,159,012	
Innovation Fund		3,052	3,052	16,169	6,984	23,153	(20,101)	95,183	(3,491)	71,591	
Other Self Funded		97,472	97,472	38,939	113,716	152,655	(55,183)	24,559	90,768	60,144	
INTERNALLY RESTRICTED											
International Education		837,890	837,890	448,962	255,271	704,233	133,657	354,745	(103,942)	384,460	
Development Fund			0			0	0	1,232,064	(420,207)	811,857	
Long Term Planning			0			0	0	0	2,084,421	2,084,421	
Revenue Generation			0			0	0	161,213	(100,000)	61,213	
	242,834	1,238,303	1,481,137	614,080	612,395	1,226,475	254,662	4,423,411	1,451,038	6,129,111	
TOTAL FOR THE YEAR ENDED March 31, 2009	1,028,787	3,572,757	4,601,544	1,868,462	2,005,388	3,873,850	727,694	5,518,230	1,285,334	7,531,258	
TOTAL FOR THE YEAR ENDED March 31, 2008	723,731	2,861,207	3,584,938	1,525,139	1,631,940	3,157,079	427,859	5,391,740	(301,369)	5,518,230	

COLLEGE OF THE ROCKIES
TRUST FUND
REVENUE, EXPENDITURE AND DEFERRED CONTRIBUTION
As At March 31, 2009

	REVENUE	EXPENDITURE	EXCESS OF REVENUE	INTERNALLY RESTRICTED NET ASSETS AND DEFERRED CONTRIBUTION BEGINNING OF YEAR	INTERFUND TRANSFERS	CHANGE IN ACCOUNTING POLICY	INTERNALLY RESTRICTED NET ASSETS AND DEFERRED CONTRIBUTION END OF YEAR
	\$	\$	\$	\$	\$	\$	\$
SCHOLARSHIPS							
Permanent Funds							
Surplus	47,365	13,914	33,451	(35,951)	2,500		0
Annual	71,244	71,244	0	0			0
Designated	19,200	19,200	0	0			0
Southern Interior Development	167,324	167,324	0	0			0
	<u>305,133</u>	<u>271,682</u>	<u>33,451</u>	<u>(35,951)</u>	<u>2,500</u>	<u>0</u>	<u>0</u>
EMERGENCY LOAN	<u>569</u>	<u>0</u>	<u>569</u>	<u>23,262</u>			<u>23,831</u>
OTHER							
Faculty Educational Leave	40,243	43,469	(3,226)	44,216			40,990
Special Trust	171,852	517	171,335	678,252			849,587
Benefit Reserves	2,666		2,666	679,763			682,429
Equipment and Supplies Reserve	89,296		89,296	181,689	(87,343)		183,642
International Ed Capital Reserve	2,980		2,980	759,779			762,759
Building Reserve	16,092		16,092	526,540			542,632
Residence Principle Reserve	1		1	315			316
	<u>323,130</u>	<u>43,986</u>	<u>279,144</u>	<u>2,870,554</u>	<u>(87,343)</u>	<u>0</u>	<u>3,062,355</u>
TOTAL FOR THE YEAR ENDED March 31, 2009	<u>628,832</u>	<u>315,668</u>	<u>313,164</u>	<u>2,857,865</u>	<u>(84,843)</u>	<u>0</u>	<u>3,086,186</u>
TOTAL FOR THE YEAR ENDED March 31, 2008	<u>408,662</u>	<u>129,168</u>	<u>279,494</u>	<u>3,867,622</u>	<u>(1,213,813)</u>	<u>(75,438)</u>	<u>2,857,865</u>