

Financial Statements of

DOUGLAS COLLEGE

Year ended March 31, 2009



KPMG LLP
Chartered Accountants
Metrotower II
Suite 2400 - 4720 Kingsway
Burnaby BC V5H 4N2

Telephone (604) 527-3600
Fax (604) 527-3636
Internet www.kpmg.ca

AUDITORS' REPORT TO THE BOARD

We have audited the statement of financial position of Douglas College (the "College") 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

Burnaby, Canada

May 21, 2009

DOUGLAS COLLEGE

Statement of Financial Position

March 31, 2009

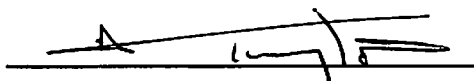
	2009	2008 (restated - note 4)
Assets		
Cash and cash equivalents	\$ 33,821,577	\$ 33,790,051
Accounts receivable	3,043,582	1,991,368
Prepaid expenses	395,515	412,798
Inventory	518,194	631,485
Sinking fund investments	-	1,377,966
	<u>37,778,868</u>	<u>38,203,668</u>
Capital assets (note 5)	110,183,841	112,259,167
TOTAL ASSETS	\$ 147,962,709	\$ 150,462,835
Liabilities and Net Assets		
Accounts payable and accrued liabilities	\$ 3,167,704	\$ 6,001,430
Salaries and wages payable	1,845,660	2,071,633
Accrued vacation pay	6,077,241	5,586,148
Deferred revenue	6,740,871	4,965,238
Current portion of long-term debt	-	1,485,000
	<u>17,831,476</u>	<u>20,109,449</u>
Deferred capital contributions (note 6)	92,864,677	97,867,892
	<u>110,696,153</u>	<u>117,977,341</u>
Net assets		
Unrestricted	119,060	134,168
Internally restricted (note 7)	25,905,573	23,464,170
Invested in capital assets (note 8)	17,319,164	14,473,304
Unfunded vacation pay	(6,077,241)	(5,586,148)
	<u>37,266,556</u>	<u>32,485,494</u>
TOTAL LIABILITIES AND NET ASSETS	\$ 147,962,709	\$ 150,462,835

Pension plans (note 9)

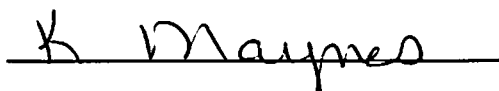
Contingencies (note 12)

See accompanying notes to financial statements.

Approved by the Board:



Chair



Vice-President, Finance & Administration

DOUGLAS COLLEGE

Statement of Operations

Year ended March 31, 2009

	2009	2008
Revenue:		
Ministry of Advanced Education, annual grant	\$ 53,927,967	\$ 54,846,573
Ministry of Advanced Education, annual capital allowance	2,057,716	1,912,446
Tuition fees	22,668,757	20,745,133
Contracts, contributions and other grants	13,587,521	9,061,417
Amortization of deferred capital contributions (note 6)	4,953,957	4,655,884
Ancillary	5,009,539	4,621,642
Interest and recoveries	836,667	1,452,464
Student Union Building fees	17,135	89,100
Sundry	1,380,244	1,351,723
	<u>104,439,503</u>	<u>98,736,382</u>
Expenses:		
Instruction	58,437,065	54,803,989
Support	28,205,109	27,088,158
Special Purposes service delivery	4,963,259	3,754,823
Interest on debt	17,135	89,100
Cyclical repairs and maintenance	1,260,848	1,912,446
Amortization of capital assets	6,230,025	5,621,881
Contribution to Douglas College Foundation	545,000	645,000
Cunnings Field resurfacing	-	406,959
	<u>99,658,441</u>	<u>94,322,356</u>
Excess of revenue over expenses from operations	\$ 4,781,062	\$ 4,414,026

See accompanying notes to financial statements.

DOUGLAS COLLEGE

Statement of Changes in Net Assets

Year ended March 31, 2009

	Unrestricted	Internally restricted	Invested in capital assets (note 8)	Unfunded vacation pay	2009 Total	2008 Total
Balance, beginning of year:						
As previously reported	\$ 134,168	\$ 23,464,170	\$ 15,219,429	\$ (5,586,148)	\$ 33,231,619	\$ 28,817,593
Change in accounting policy (note 4)	-	-	(746,125)	-	(746,125)	(746,125)
As restated	134,168	23,464,170	14,473,304	(5,586,148)	32,485,494	28,071,468
Excess (deficiency) of revenue over expenses	6,057,130	-	(1,276,068)	-	4,781,062	4,414,026
Net change in invested in capital assets	(4,121,928)	-	4,121,928	-	-	-
Transfers	(1,950,310)	2,441,403	-	(491,093)	-	-
Balance, end of year	\$ 119,060	\$ 25,905,573	\$ 17,319,164	\$ (6,077,241)	\$ 37,266,556	\$ 32,485,494

See accompanying notes to financial statements.

DOUGLAS COLLEGE

Statement of Cash Flows

Year ended March 31, 2009

	2009	2008
Cash provided by (used in):		
Operations:		
Excess of revenue over expenses	\$ 4,781,062	\$ 4,414,026
Items not involving cash:		
Amortization of capital assets	6,230,025	5,621,881
Amortization of deferred capital contributions	(4,953,957)	(4,655,884)
Earnings on sinking fund investments	(17,306)	(67,007)
Changes in non-cash operating working capital:		
Accounts receivable	(1,052,214)	2,670,340
Prepaid expenses	17,283	14,411
Inventory	113,291	(111,394)
Accounts payable and accrued liabilities	(2,833,726)	1,511,592
Salaries and wages payable	(225,973)	(1,875,151)
Accrued vacation pay	491,093	549,469
Deferred revenue	1,775,633	816,146
	<u>4,325,211</u>	<u>8,888,429</u>
Investments:		
Proceeds on sinking fund investments	1,395,272	-
Increase in sinking fund investments	-	(102,508)
Acquisition of capital assets	(4,154,699)	(22,896,876)
	<u>(2,759,427)</u>	<u>(22,999,384)</u>
Financing:		
Repayment of debt	(1,485,000)	-
Deferred capital contributions received (note 6)	(49,258)	17,068,325
	<u>(1,534,258)</u>	<u>17,068,325</u>
Increase in cash and cash equivalents	31,526	2,957,370
Cash and cash equivalents, beginning of year	33,790,051	30,832,681
Cash and cash equivalents, end of year	<u>\$ 33,821,577</u>	<u>\$ 33,790,051</u>
Supplementary information:		
Interest received	\$ 739,042	\$ 1,408,837

See accompanying notes to financial statements.

DOUGLAS COLLEGE

Notes to Financial Statements

Year ended March 31, 2009

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 ("Canadian GAAP") for not-for-profit organizations.

(b) Fund accounting:

The College follows fund accounting 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, 2009

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 semi-annually 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 through the delivery of courses.

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 incurred. 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 operating grants are recorded in the period to which they relate.

Unrestricted investment income is recognized as revenue when earned.

DOUGLAS COLLEGE

Notes to Financial Statements (continued)

Year ended March 31, 2009

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 an allowance for doubtful accounts receivable, 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:

The College classifies its financial instruments as held-to-maturity, available-for-sale, held for trading, loans and receivables, or other financial liabilities. All instruments are initially recorded at fair value and are subsequently recorded as follows:

- (i) Financial assets held-to-maturity, loans and receivables and financial liabilities other than those held for trading, are measured at amortized cost.
- (ii) Available-for-sale financial instruments are measured at fair value with unrealized gains and losses recognized in net assets.
- (iii) Instruments classified as held for trading are measured at fair value with unrealized gains and losses recognized in the statement of operations.

The College classifies its cash and cash equivalents and short-term investments as available-for-sale, its accounts receivable as loans and receivables and its accounts payable and accrued liabilities and accrued vacation payable as other liabilities.

Derivative instruments are recorded on the balance sheet at fair value with changes in fair value recognized in the statement of operations. As at March 31, 2009, the College did not have any derivative instruments outstanding that would require recognition.

All transaction costs related to the acquisition of financing are offset against the carrying value of the related liability and are then amortized over the expected life of the instrument using the effective interest method.

DOUGLAS COLLEGE

Notes to Financial Statements (continued)

Year ended March 31, 2009

2. Significant accounting policies (continued):

(l) Future accounting changes:

Changes in accounting framework:

The Canadian Institute of Chartered Accountants ("CICA") has decided to transition Canadian GAAP for publicly accountable entities to International Financial Reporting Standards effective January 1, 2011. The College is currently classified as a Government Not-For-Profit organization under the Act. The Accounting Standards Board (AcSB) and Public Sector Accounting Board have jointly issued an Invitation to Comment to invite feedback on the future of financial reporting by not-for-profit organizations. The College is in the process of reviewing the impact of these proposed changes on its financial statements.

Goodwill and intangible assets:

In February 2008, the CICA issued Handbook Section 3064, *Goodwill and Intangible Assets*, which replaced existing Handbook Section 3062, *Goodwill and Other Intangible Assets*, and Handbook Section 3450, *Research and Development*. The new standard provides guidance on the recognition, measurement, presentation and disclosure of goodwill and intangible assets. This standard is effective for interim and annual financial statements relating to fiscal years beginning on or after October 1, 2008. The College does not believe this standard will have a material impact on its financial statements.

Financial instruments – presentation and disclosure:

Handbook Section 3862, *Financial Instruments – Disclosure*, and Handbook Section 3863, *Financial Instruments – Presentation*, were both issued in December 2006 and were applicable for years beginning on or after October 1, 2007. The sections revise the current standards on financial instrument disclosure and presentation, and place an increased emphasis on disclosures regarding the risks associated with both recognized and unrecognized financial instruments and how these risks are managed. Handbook Section 3863 establishes standards for presentation of financial instruments and non-financial derivatives and provides additional guidance with classification of financial instruments, from the perspective of the issuer, between liabilities and equity. In September 2008, the AcSB decided that not-for-profit organizations are not currently required to apply these enhanced financial instruments standards.

DOUGLAS COLLEGE

Notes to Financial Statements (continued)

Year ended March 31, 2009

3. Adoption of accounting policies:

Effective April 1, 2008, the College adopted the following new accounting standards that were issued by the CICA:

Inventories:

Handbook Section 3031 provides more extensive guidance on the measurement and disclosure requirements for inventories; significantly, the new standard allows the reversals of previous writedowns to the net realizable value when there is a subsequent increase in the value of inventories. The adoption of the new standard resulted in no impact to other opening balances at April 1, 2008 or 2007.

Going concern:

Effective April 1, 2008, the College implemented Handbook Section 1400 to include requirements for management to assess and disclose an entity's ability to continue as a going concern. Management has made its assessment and concluded there is no issue regarding the College's ability to continue as a going concern. This assessment is based on the assumption that the current funding levels are maintained and any committed additional future funding is received.

Capital disclosures:

Effective April 1, 2008, the College adopted Handbook Section 1535, *Capital Disclosures*, which establishes guidelines for the disclosure of information regarding an entity's capital and how it is managed. It requires enhanced disclosure with respect to the objectives, policies and processes for managing capital, quantitative data about the entity's capital and disclosures about the entity's compliance with capital requirements and consequences of any non-compliance. The disclosures are presented in note 11.

4. Change in accounting policy:

In prior years, the College's amortization policy was to commence amortization of capital asset additions in the year following acquisition. For the year ended March 31, 2008, the College changed its accounting policy to commence amortizing capital asset additions at the time the assets are put into use. During the current year, the College undertook an analysis to determine the cumulative impact on capital assets, deferred capital contributions and invested in capital assets of previously not amortizing capital assets in the year of acquisition. As a result of its review, the College determined that the following adjustments were required to its accounts as at April 1, 2007:

- invested in capital assets has been reduced by \$746,125;
- capital assets has been reduced by \$2,651,254; and
- deferred capital contributions has been reduced by \$1,905,129.

These adjustments have been made recorded on a retrospective basis.

DOUGLAS COLLEGE

Notes to Financial Statements (continued)

Year ended March 31, 2009

5. Capital assets:

			2009	2008
	Cost	Accumulated amortization	Net book value	Net book value
				(restated - note 4)
Land	\$ 4,939,558	\$ -	\$ 4,939,558	\$ 4,939,558
Buildings	140,691,951	45,675,624	95,016,327	97,068,681
Furniture and equipment	22,217,180	14,265,881	7,951,299	7,892,962
Student Union Building	3,211,198	934,541	2,276,657	2,357,966
	\$ 171,059,887	\$ 60,876,046	\$ 110,183,841	\$ 112,259,167

6. Deferred capital contributions:

Deferred capital contributions 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.

	2009	2008
		(restated - note 4)
Balance forward from previous year	\$ 97,867,892	\$ 85,455,451
Additional contributions received	(49,258)	17,068,325
Amounts amortized to revenue	(4,953,957)	(4,655,884)
	\$ 92,864,677	\$ 97,867,892

7. Internally restricted:

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

	2009	2008
Operating	\$ 3,466,989	\$ 3,002,553
Ancillary	864,000	913,000
Capital	16,515,849	15,964,149
Special purpose	5,058,735	3,584,468
	\$ 25,905,573	\$ 23,464,170

DOUGLAS COLLEGE

Notes to Financial Statements (continued)

Year ended March 31, 2009

8. Net assets invested in capital assets:

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

	2009	2008 (restated - note 4)
Capital assets	\$ 110,183,841	\$ 112,259,167
Amounts financed by:		
Debt	-	(1,485,000)
Deferred capital contributions	(92,864,677)	(97,867,892)
Unspent deferred capital contributions (note 8)	-	189,063
Sinking fund investments	-	1,377,966
	(92,864,677)	(97,785,863)
	\$ 17,319,164	\$ 14,473,304

(b) Deficiency of revenue over expenses:

	2009	2008
Amortization of deferred capital contributions	\$ 4,953,957	\$ 4,655,884
Less: amortization of capital assets	(6,230,025)	(5,621,881)
	\$ (1,276,068)	\$ (965,997)

(c) Net change in invested in capital assets:

	2009	2008
Purchase of capital assets	\$ 4,154,699	\$ 22,896,876
Amounts funded by deferred capital contributions	49,258	(17,068,325)
Change in unspent deferred capital contributions	(189,063)	(7,700)
Sinking fund earnings	17,306	67,007
Increase in sinking fund investments	-	102,508
Proceeds on repayment of sinking fund investments	(1,395,272)	-
Repayment of long-term debt	1,485,000	-
	\$ 4,121,928	\$ 5,990,366

DOUGLAS COLLEGE

Notes to Financial Statements (continued)

Year ended March 31, 2009

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 defined benefit pension plans. The College Pension Plan has approximately 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 unfunded liability to individual employers. The College paid \$4,746,928 (2008 - \$4,355,907) for employer contributions to the plans in fiscal 2009/2010.

10. Related party:

The College has an economic interest in the Douglas College Foundation (the "Foundation"). 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. The assets of the Foundation total \$9,396,861 (2008 - \$10,533,060), of which \$8,871,518 (2008 - \$9,833,052) 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.

Transactions between the College and the Foundation are as follows:

- (a) The Foundation received \$12,700 in 2009 (2008 - \$5,500) 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 \$647,885 (2008 - \$791,613) to the Foundation to support student financial aid. Of this amount, \$545,000 is a direct contribution to Foundation.

DOUGLAS COLLEGE

Notes to Financial Statements (continued)

Year ended March 31, 2009

11. Capital disclosures:

The College is regulated by the Province of British Columbia under the College and Institute Act and, as such, reports to the Advanced Education & Labour Market Development ("ALMD") and Industry Training Authority ("ITA"). The College is considered a Government Not-for-Profit entity with the Province of B.C. government reporting entity. The College is focused on managing operations within the longstanding resource constraints resulting from inflationary increases, changes to the operating grants, and softened enrolments. The College is working to manage these resource constraints while maintaining appropriate investment spending in physical plant, technology infrastructure, organizational development and program renewal. Given the constraints, any revenues in excess of expenses are retained and reinvested in the operations and technical infrastructure of the College. The College also manages its funds to segregate operating funds from restricted funds and capital funds. This ensures that funds designated for a specified purpose are spent accordingly.

12. 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.

13. Comparative figures:

Certain of the 2008 comparative figures have been reclassified to conform with the 2009 financial statement presentation.



KPMG LLP
Chartered Accountants
Metrotower II
Suite 2400 - 4720 Kingsway
Burnaby BC V5H 4N2

Telephone (604) 527-3600
Fax (604) 527-3636
Internet www.kpmg.ca

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, 2009.

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 2009 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 21, 2009

DOUGLAS COLLEGE

Operating Fund

Schedule A

Year ended March 31, 2009

	2009 Budget (unaudited)	2009 Actual	2008 Actual
Revenue:			
Ministry of Advanced Education	\$ 52,077,000	\$ 52,199,036	\$ 51,531,559
Tuition fees:			
General credit	14,129,000	14,886,551	14,271,792
International education	4,981,000	5,641,752	4,656,519
Continuing education course fees and grants	1,895,000	2,140,456	1,816,822
The Training Group grants and contracts	6,897,000	7,450,449	5,980,655
Interest	325,000	233,047	410,424
Sundry	1,318,400	1,380,242	1,351,723
Transfer from Ancillary Fund	-	177,667	50,000
	<u>81,622,400</u>	<u>84,109,200</u>	<u>80,069,494</u>
Disbursements:			
Instruction:			
General credit	45,049,800	44,857,053	43,673,167
Continuing education	1,895,000	2,040,183	1,684,382
The Training Group	6,662,000	7,275,197	5,847,263
International education	3,773,300	3,773,539	3,049,708
Support:			
General instruction	5,943,900	6,056,620	5,721,265
Student	6,680,500	6,921,565	6,728,764
Administrative	5,957,500	5,992,942	5,526,222
Facilities	4,708,400	5,027,140	5,218,530
Transfer to Capital Fund	950,000	950,000	1,487,000
Transfer to Capital Fund - playing fields	30,000	30,000	172,023
Transfer to Capital Fund – DLC Expansion Reserve	-	-	387,452
Transfer to Special Purposes Fund			
- The Training Group	235,000	175,252	133,392
- Continuing education	-	100,273	-
Transfer to Douglas College Foundation	445,000	445,000	545,000
	<u>82,330,400</u>	<u>83,644,764</u>	<u>80,174,168</u>
Change in fund balance	<u>\$ (708,000)</u>	464,436	(104,674)
Fund balance, beginning of year		<u>3,002,553</u>	<u>3,107,227</u>
Fund balance, end of year		<u>\$ 3,466,989</u>	<u>\$ 3,002,553</u>
Required per Board surplus policy		\$ 2,228,175	
Balance available		<u>1,238,814</u>	
		<u>\$ 3,466,989</u>	

DOUGLAS COLLEGE

Ancillary Fund

Schedule B

Year ended March 31, 2009

	2009	2008
Bookstore sales	\$ 4,407,942	\$ 4,250,768
Expenses:		
Cost of sales	3,297,205	3,175,036
Salaries	663,769	660,527
Other	53,578	57,814
	<u>4,014,552</u>	<u>3,893,377</u>
Bookstore (net)	393,390	357,391
Other revenue:		
Parking (net)	202,795	183,199
Cafeteria (net)	165,361	142,414
Vision Centre (net)	41,153	45,261
	<u>802,699</u>	<u>728,265</u>
Ancillary operations before interest and recoveries	802,699	728,265
Interest and recoveries	<u>23,860</u>	<u>22,711</u>
Excess of revenue over expenses	826,559	750,976
Transfers:		
Operating Fund	177,667	50,000
Capital Fund	613,000	578,000
Douglas College Foundation	100,000	100,000
	<u>890,667</u>	<u>728,000</u>
Change in fund balance	(64,108)	22,976
Fund balance, beginning of year	<u>931,472</u>	<u>908,496</u>
Fund balance, end of year	<u>\$ 867,364</u>	<u>\$ 931,472</u>
Fund balance consists of:		
Appropriated:		
Legal, severance and early retirement	\$ 150,000	\$ 150,000
Replacement equipment:		
Ancillary services	44,000	263,000
Emergent and insurance	50,000	50,000
Operating capital	400,000	350,000
Douglas College Foundation	220,000	100,000
	<u>864,000</u>	<u>913,000</u>
Unappropriated	<u>3,364</u>	<u>18,472</u>
	<u>\$ 867,364</u>	<u>\$ 931,472</u>

DOUGLAS COLLEGE

Capital Fund

Schedule C

Year ended March 31, 2009

	2009	2008
Revenue:		
Ministry of Advanced Education:		
Grant - Operating	\$ 3,517,685	\$ 4,061,476
Grant - Certificates of Approval	-	16,880,752
Interest and recoveries	612,531	1,045,087
Student Union Building fees	124,170	258,614
Transfer from Ancillary Fund	613,000	578,000
Transfer from Operating Fund – playing fields	30,000	172,023
Transfer from Operating Fund – new programs	200,000	237,000
Transfer from Operating Fund – Renovations Reserve	750,000	500,000
Transfer from Operating Fund – Major Capital Reserve	-	750,000
Transfer from Operating Fund– DLC Expansion Reserve	-	387,452
	<u>5,847,386</u>	<u>24,870,404</u>
Disbursements:		
Capital assets acquired:		
Building additions and renovations	1,171,782	17,470,664
Furniture and equipment	2,982,917	5,426,212
Principal payment - Student Union		
Building Sinking Fund	107,035	169,514
Interest on Student Union Sinking Fund	17,135	89,100
Cunnings Field turf Replacement		406,959
Cyclical repairs and maintenance expense	1,260,848	1,912,446
	<u>5,539,717</u>	<u>25,474,895</u>
Change in fund balance	307,669	(604,491)
Fund balance, beginning of year	<u>16,208,180</u>	<u>16,812,671</u>
Fund balance, end of year	<u>\$ 16,515,849</u>	<u>\$ 16,208,180</u>
Cunnings Field Turf Replacement Reserve	\$ 75,355	\$ 43,982
Cyclical Maintenance Reserve	4,702,344	3,779,855
Capital Expansion Reserve	8,157,993	7,911,022
David Lam Campus Expansion Reserve	350,000	2,801,371
Renovations Reserve	1,755,497	369,016
Internally Committed Funds ⁽¹⁾	<u>1,474,660</u>	<u>1,058,903</u>
	<u>\$ 16,515,849</u>	<u>\$ 15,964,149</u>
Net assets internally restricted	\$ 16,515,849	\$ 15,964,149
Deferred revenue	-	<u>244,031</u>
Fund balance	<u>\$ 16,515,849</u>	<u>\$ 16,208,180</u>

(1) This balance includes funds committed for 2009/10 Operating Capital Budget and funds for future capital projects.

DOUGLAS COLLEGE

Special Purposes Fund

Schedule D

Year ended March 31, 2009

	2009	2008
Revenue:		
Grants, Ministry of Advanced Education	\$ 1,074,825	\$ 1,060,223
Contracts, contributions and other grants	5,087,176	3,080,762
Transfers from Operating Fund	<u>275,525</u>	<u>133,392</u>
	<u>6,437,526</u>	<u>4,274,377</u>
Disbursements:		
Project salaries and benefits	3,087,448	2,082,189
Other disbursements	<u>1,875,811</u>	<u>1,672,634</u>
	<u>4,963,259</u>	<u>3,754,823</u>
Change in fund balance	1,474,267	519,554
Fund balance, beginning of year	<u>3,584,468</u>	<u>3,064,914</u>
Fund balance, end of year	<u>\$ 5,058,735</u>	<u>\$ 3,584,468</u>