THE GEORGIAN COLLEGE OF APPLIED

ARTS AND TECHNOLOGY

C O N S O L I D A T E D

F INANCIAL

S TATEMENTS

F O R

T H E Y E A R E N D E D

M ARCH 31, 2009

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Grant Thornton

Auditors' Report

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To the Board of Governors of

The Georgian College of Applied Arts and Technology

We have audited the consolidated statement of financial position of The Georgian College of Applied Arts and Technology as at March 31, 2009 and the consolidated 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 consolidated 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 cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Grant Thornton LLP

Chartered Accountants,
Licensed Public Accountant

Barrie, Ontario
May 29, 2009

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2009

ASSETS

	2009	2008
CURRENT ASSETS		
Cash and Cash Equivalents	$ 10,241,662	$ 14,348,866
Grants Receivable (Note 4)	5,761,124	4,983,742
Accounts Receivable (Note 5)	4,788,730	4,181,956
Inventory (Note 6)	1,092,468	1,271,287
Prepaid Expenses	1,592,668	838,220
Current Portion of Note Receivable (Note 7A)	680,000	680,000
Current Portion of Receivable from Alumni (Note 7B)	79,039	69,284
TOTAL CURRENT ASSETS	24,235,691	26,373,355
RESTRICTED ASSETS		
Cash	6,909,185	2,861,611
Investments (Note 8)	3,144,922	2,445,929
TOTAL RESTRICTED ASSETS	10,054,107	5,307,540
OTHER ASSETS		
Note Receivable from Student Association (Note 7A)	6,705,933	7,672,849
Receivable from Alumni Association (Note 7B)	224,809	289,104
Long Term Receivable (Note 9)	1,500,000	1,500,000
Deferred Charges (Note 10)	4,277,379	3,159,268
TOTAL OTHER ASSETS	12,708,121	12,621,221
CAPITAL ASSETS (Note 11)	96,711,939	92,331,725
TOTAL ASSETS	**$ 143,709,858**	**$ 136,633,841**

(see accompanying notes)

LIABILITIES AND NET ASSETS

	2009	2008
CURRENT LIABILITIES		
Grants Payable (Note 13)	135,489	1,158,700
Accounts Payable and Accrued Liabilities (Note 14)	12,299,439	11,695,370
Loans Payable	-	7,250
Lease Liabilities (Note 15)	1,198,570	1,105,403
Long Term Debt Payable (Note 16)	1,816,017	2,315,297
Deferred Revenues (Note 17)	7,962,544	10,195,490
Due to Student Associations (Note 18)	2,955,795	3,288,734
TOTAL CURRENT LIABILITIES	26,367,854	29,766,244
OTHER LIABILITIES		
Lease Liabilities (Note 15)	1,430,819	1,607,057
Long Term Debt Payable (Note 16)	30,999,797	30,276,697
Interest Rate Swaps (Note 1(L)(i), 16B)	6,057,048	3,922,261
Deferred Capital Contributions (Note 19)	60,025,977	57,357,765
Deferred Revenue Future Capital Expansion (Note 20)	54,036	57,993
Deferred Restricted Contributions (Note 21)	7,125,467	3,193,399
Employee Future Benefits,Vacation Pay & Sick Leave Accrual (Note 23)	8,448,675	7,816,782
TOTAL OTHER LIABILITIES	114,141,819	104,231,954
NET ASSETS		
Investment in Capital Assets (Note 22)	6,969,413	6,281,629
Unrestricted		
Operating	6,688,313	4,859,167
Employee Future Benefits	(1,034,057)	(919,075)
Vacation Pay Accrual	(6,401,847)	(5,783,721)
Sick Leave Accrual	(1,012,771)	(1,113,986)
Interest Rate Swaps	(6,057,048)	(3,922,261)
Internally Restricted (Note 24)	69,974	69,974
Endowment Funds (Note 25)	3,978,208	3,163,916
TOTAL NET ASSETS	3,200,185	2,635,643
TOTAL LIABILITIES AND NET ASSETS	**$ 143,709,858**	**$ 136,633,841**

(see accompanying notes)

THE GEORGIAN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

STATEMENT 2

CONSOLIDATED STATEMENT OF OPERATIONS

FOR THE YEAR ENDED MARCH 31, 2009

	2009	2008
REVENUE		
Grants and Reimbursements	$ 66,096,979	$ 64,956,257
Student Tuition	42,561,868	38,227,287
Ancillary Operations	18,087,087	16,830,840
Restricted Funds	1,177,201	811,472
Other	9,447,331	9,119,140
Amortization of Deferred Capital Contributions	3,884,846	4,111,701
TOTAL REVENUE (Schedule 1)	**141,255,312**	**134,056,697**
EXPENDITURE		
Academic (Schedule 2)	68,221,663	63,356,879
Student Services (Schedule 3)	16,421,445	14,771,003
Administration (Schedule 4)	16,185,066	14,112,871
Plant and Property (Schedule 5)	10,292,774	11,328,877
Supplementary (Schedule 6)	5,105,380	4,872,716
Ancillary Operations (Schedule 7)	15,824,908	14,473,722
Amortization of Capital Assets	7,319,039	7,768,095
TOTAL EXPENDITURE	**139,370,275**	**130,684,163**
EXCESS REVENUE OVER EXPENDITURE	**$ 1,885,037**	**$ 3,372,534**

(see accompanying notes)

CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS

FOR THE YEAR ENDED MARCH 31, 2009

	Unrestricted	Vacation Sick Leave Post Employment Benefits	Interest Rate Swaps	Internally Restricted	Investment in Capital Assets	Endowments	Total 2009	Total 2008
BALANCE - BEGINNING OF YEAR	$ 4,859,167	$ (7,816,782)	$ (3,922,261)	$ 69,974	$ 6,281,629	$ 3,163,916	$ 2,635,643	$ 81,229
Accounting Changes								
Restatement - Interest Rate Swap	-	-	-	-	-	-	-	(2,953,317)
- Other Financial Instruments	-	-	-	-	-	-	-	(59,775)
Balance, beginning of year, as restated	4,859,167	(7,816,782)	(3,922,261)	69,974	6,281,629	3,163,916	2,635,643	(2,931,863)
Excess Revenue over Expenditure (Expenditure over Revenue)	5,896,823	(631,893)	-	-	(3,379,893)	-	1,885,037	3,372,534
Net cash used to invest in Capital Assets	(4,067,677)	-	-	-	4,067,677	-	-	-
Endowment Contributions (Note 25)	-	-	-	-	-	814,292	814,292	3,163,916
Change in fair value of interest rate swaps	-	-	(2,134,787)	-	-	-	(2,134,787)	(968,944)
BALANCE - END OF YEAR	$ 6,688,313	$ (8,448,675)	$ (6,057,048)	$ 69,974	$ 6,969,413	$ 3,978,208	$ 3,200,185	$ 2,635,643

(see accompanying notes)

STATEMENT 4

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2009

Increase (decrease) in cash and cash equivalents	2009	2008
OPERATING ACTIVITIES		
Excess Revenue over Expenditure	$ 1,885,037	$ 3,372,534
Items not Involving Cash:		
Amortization of capital assets	7,319,039	7,768,095
Amortization of deferred capital contributions	(3,978,259)	(4,111,701)
Loss on disposal of capital assets	39,124	98,966
Financial Instrument Valuation	(12,395)	(6,429)
Change in Non-Cash Working Capital (Note 26)	(4,944,812)	2,814,296
Change in Employee Future Benefits.Vacation Pay, Sick Leave	631,893	909,742
	939,627	10,845,503
INVESTING ACTIVITIES		
Invested in deferred charges	(1,118,111)	(2,402,776)
Purchase of capital assets	(11,749,431)	(11,357,300)
Capital grants received	6,646,471	3,928,206
Advances to Student Administrative Council	966,916	360,504
Advances to Alumni	54,540	130,930
Proceeds on capital assets disposal	11,065	58,272
Restricted investments	(698,993)	(2,445,929)
Increase in long term receivable	-	(1,049,565)
Decrease in Internally Restricted	-	(50,080)
Deferred revenue future capital expansion	(3,957)	(12,733)
	(5,891,500)	(12,840,471)
FINANCING ACTIVITIES		
Decrease in long term debt payable	233,434	(835,165)
Net (decrease) increase in capital leases	(80,301)	970,631
Decrease in loan payable	(7,250)	(6,673)
Endowment funds	814,292	3,163,916
Increase in externally restricted contributions	3,932,068	2,803,951
	4,892,243	6,096,660
Increase in cash and cash equivalents	(59,630)	4,101,692
Cash and cash equivalents, beginning of year	17,210,477	13,108,785
Cash and cash equivalents, end of year	**$ 17,150,847**	**$ 17,210,477**
Cash and cash equivalents is represented by:		
Cash and cash equivalents	$ 10,241,662	$ 14,348,866
Restricted cash	6,909,185	2,861,611
	$ 17,150,847	$ 17,210,477

(see accompanying notes)

GENERAL

The Georgian College of Applied Arts and Technology was established under the Ministry of Colleges and Universities Act as a corporation in 1967. Excellence in teaching and learning is at the heart of its mission. Georgian helps students achieve their career and life goals by delivering academic excellence in a uniquely nurturing environment.

The College is a registered charity and therefore is, under Section 149 of the Income Tax Act, exempt from payment of income tax.

1. SIGNIFICANT ACCOUNTING POLICIES AND DISCLOSURE

The Consolidated Financial Statements of the College have been prepared by management in accordance with Canadian generally accepted accounting principles ("GAAP") as set out for not-for-profit organizations. The most significant of which are as follows:

(A) CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash on hand, balances with banks and short term deposits with original maturities of three months or less. Bank borrowings are considered to be financing activities.

(B) REVENUES

The College follows the deferral method of accounting for contributions which include donations and government grants.

i) Grants received for operations from the Ministry of Training, Colleges and Universities (MTCU) and other governmental agencies are recorded as revenue in the year to which they relate. Grants approved but not received at the end of the fiscal year are accrued. Where a portion of a grant relates to a future year, it is deferred and recognized in the subsequent year.

ii) Capital grants and contributions restricted for the purchase of capital assets are deferred when the monies are received, and subsequently amortized to revenue on a straight-line basis over the useful life of the related capital asset.

iii) Tuition fees are recorded in the accounts based on the academic period of the specific courses. Tuition fees are deferred to the extent that the courses extend beyond the fiscal year of the College.

iv) Externally restricted contributions other than endowment contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Endowment contributions are recognized as direct increases in endowment net assets.

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.

v) Other operating revenues are deferred to the extent that related services provided, or goods sold are rendered/delivered subsequent to the end of the College's fiscal year.

(C) ENCUMBRANCE ACCOUNTING

The College does not include in expenditures any amounts for goods not received and services not rendered by the end of the fiscal year.

(D) VALUATION OF INVENTORIES

Inventory consists of textbooks, stationery, giftware, computer hardware and software, food and liquor, metals, printed stationery and materials for maintenance. Inventories are valued at the lower of cost, determined on the first-in first-out basis and net realizable value. The cost includes all acquisition costs incurred in bringing inventory to its present location and condition. Net realizable value is the estimated selling price in the ordinary course of business less any applicable expenses.

(E) RESTRICTED INVESTMENTS

Investments are recorded at fair value on an aggregate basis. Realized investment income is recorded in deferred restricted contributions. Unrealized gains or losses from the change in fair value are recorded in the statement of changes in net assets. Fair value is determined at quoted market prices. Sales and purchases of restricted investments are recorded on the settlement date. Transaction costs related to the acquisition of restricted investments are recorded against the realized investment income in deferred restricted contributions. The investments are restricted for the purpose of the endowment funds. Endowment funds have been donated for specific purposes. The principal sum must be held for investment, while the income earned is expendable for the specific purposes.

(F) CAPITAL ASSETS

Purchased assets are stated at cost. Donated assets are recorded at their fair market value at the date of donation. Capital assets are amortized on a straight-line basis using the following estimate of useful life:

ASSET	USEFUL LIFE
Land	n/a
Buildings	40 years
Building Renovations & Enhancements	15 years
Portables	10 years
Site improvements	10 years
Furniture and fixtures	5 years
Equipment and vehicles	5 years
Computers	5 years
Major equipment	10 years
Leased equipment	Term of lease

(G) ACCUMULATED SICK LEAVE CREDITS

The College is liable to pay fifty percent (50%) of an employee's accumulated sick leave credit on termination or retirement after ten years service. This amount has been calculated to be $1,012,771 at March 31, 2009 (2008 - $1,113,986). Although the Ministry of Training, Colleges and Universities provides annual funding of these expenditures as incurred, these liability amounts have been accrued in the College's consolidated financial statements with no provision for the funding.

(H) RELATED ORGANIZATIONS

IRDI Technologies Inc. is a wholly-owned subsidiary of the College. It was acquired by the College effective April1, 2004.

The Georgian College Foundation is a non-profit corporation without share capital incorporated by letters patent under The Corporations Act (Ontario) on July 25, 1991. Prior to April 1, 2007 it was responsible for the long-term fundraising for The Georgian College of Applied Arts and Technology. Effective April 1, 2007, the College assumed the ongoing and future fundraising and philanthropic activities of the Foundation. The College assumed all of the Foundation's existing and future property and assets both realized and unrealized, in whole or in part. With this change the management of the Board of the Georgian College Foundation now falls under the control of the Board of Governors of the College.

These consolidated financial statements include the assets, liabilities, and results of operations of IRDI Technologies Inc. and The Georgian College Foundation with those of the College. All inter-company balances have been eliminated upon the consolidation.

(I) COST ALLOCATIONS

The expenditures are reported, as required, by the Ministry of Training, Colleges and Universities "College Financial Information System" (CFIS), as per revised guidelines issued May 14, 1998. As well, the College has followed the cost allocation plan approved by the Committee of Finance Officers and the Committee of Presidents of the Colleges of Applied Arts and Technology and endorsed by the Ministry of Training, Colleges and Universities.

Accordingly, direct costs are charged to programs and courses on an actual basis wherever possible and elsewhere allocated on the basis of full-time equivalent students.

(J) MANAGEMENT ESTIMATES

The preparation of these consolidated financial statements in accordance with Canadian generally accepted accounting principles requires College management to make estimates, and assumptions that affect the reported amounts of revenue and expenditure, assets and liabilities, and the disclosure of contingent assets and contingent liabilities at the date of the financial statements. Significant account estimates include allowance for doubtful accounts, payroll accrual, and vacation pay. Actual results could differ from these estimates.

(K) GIFTS IN KIND

Contributed materials and services are recorded in the accounts at fair market value when such a value can reasonably be estimated. During the fiscal year \$48,312 (2008 - \$248,000) of gifts in kind were received. It is represented by various small tools, equipment and books.

L) FINANCIAL INSTRUMENTS

In 2005, The Canadian Institute of Chartered Accountants released Handbook Section 3855, Financial Instruments - Recognition and Measurement, Section 3865 Hedges and Section 3861, Financial Instruments - Disclosure and Presentation.

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

(i) INTEREST RATE SWAPS:

The College has entered into interest rate swap agreements to manage the volatility to interest rates. The College formally documents all relationships between hedging instruments and hedged items, as well as its risk management objectives and strategies for undertaking various hedge transactions. This process includes linking the interest rate swaps to specific long-term debt on the statement of financial position. The College also formally assesses, both at the hedge's inception and on an on-going-basis, whether the interest rate swaps that are used in hedging transactions are highly effective in offsetting changes in cash flows of the hedged items.

The College's policy is not to utilize derivative financial instruments for trading or speculative purposes. It is management's intention to hold these to maturity.

These interest rate swaps qualify, and have been designated by the College, as cash flow hedging items against the floating rate long-term debt. The College has assessed the hedging relationship as effective. The fair value (mark to market value) of the interest rate swaps is recorded on the statement of financial position. The mark to market value represents the amount that the College would pay or receive if swaps were cancelled at March 31. This could be positive or negative as they are highly sensitive to changes in interest rates. The mark to market value was obtained from the Canadian Bank holding the swaps. Because the hedging relationship is effective, the change in fair value of the interest rate swaps is recorded in the statement of changes in net assets, with no impact on the College's excess of revenue over expenditures. This value will fluctuate and will need to be re-valued every year.

(ii) LOANS AND RECEIVABLES

Note receivable, receivable from alumni and long term note receivable are classified as Loans and Receivables and are therefore valued at fair market value at inception. In subsequent years, they will be valued at amortized cost, with the gain or loss being recognized on the statement of excess revenues over expenditures.

(iii) OTHER LIABILITIES

Long term debt is classified as Other Liabilities. At inception these instruments are recognized at fair market value, with subsequent years being valued at amortized cost, with the gain or loss being recognized on the statement of excess revenues over expenditures.

(iv) AVAILABLE FOR SALE

Investments are classified as available for sale, and are recorded at fair value on an aggregate basis with the unrealized gains/losses being recorded in net assets. Unrealized gains/losses are recognized into income when the investments are disposed of.

(v) OTHER FINANCIAL INSTRUMENTS

Cash, restricted cash, grants receivable, accounts receivable, grants payable, accounts payable, accrued liabilities, loans payable and due to student associations are short term in nature and are therefore considered to be at fair market value.

(M) CAPITAL DISCLOSURES

The College's objectives when managing capital are to safeguard the College's ability to continue as a going concern.

The College manages its capital structure in such a manner so as to comply in all material respects with all applicable laws and regulations, including directives of the Minister of Training, Colleges and Universities pursuant to the Ontario College of Applied Arts and Technology Act, 2002.

2. CHANGE IN ACCOUNTING POLICY

(A) CAPITAL DISCLOSURES

On April 1, 2008 the College adopted the recommendations included in the CICA Handbook Section 1535, Capital Disclosures. The standard requires disclosure on an entity's objectives, policies and processes for managing capital, quantitative data about what the entity regards as capital and whether the entity has compiled with any capital requirements and if it has not complied, the consequences of such non-compliance. The adoption of this new accounting standard had no impact on net earnings. The College's new disclosure is included in Note 1(M).

(B) INVENTORIES

On April 1, 2008 the College retroactively adopted, without restatement of prior periods, the recommendations included in the CICA Handbook Section 3031, Inventories.

Section 3031 replaces the existing Section 3030 of the same name and contains requirements on measurement and disclosure of inventories and revises and enhances the requirements for assigning costs to inventories. This new standard also allows for reversal of previous write-downs. The Colleges newly expanded disclosure is included in Note 1(D).

The College has included a note to the financial statements (Note 6) that details the following: opening inventory, total inventory purchased, adjustments, and year end inventory value, tied to the financial statements.

The adoption of this standard had no impact on the results of operation or measurement of inventory. During the year, there were minimal write downs of inventory as a result of net realizable value being lower than cost and no inventory write downs recognized in previous years were reversed.

(C) GENERAL STANDARDS OF FINANCIAL STATEMENT PRESENTATION

On April 1, 2008 the College adopted CICA Handbook Section 1400, General Standards of Financial Statement Presentation. This section requires that management make an assessment of the College's ability to continue as a going concern over a period which is at least, but not limited to twelve months from the balance sheet date. The adoption of the new requirement has not resulted in any additional disclosure.

3. FUTURE ACCOUNTING PRONOUNCEMENTS

(A) FINANCIAL INSTRUMENT DISCLOSURES AND PRESENTATION

Effective April 1, 2009, the College will be required to adopt CICA Handbook Section 3862 "Financial Instruments - Disclosures" and Section 3863 "Financial Instruments - Presentation" which will replace Section 3861, Financial Instruments - Disclosure and Presentation. The new disclosure standard increases the emphasis on the risks associated with both recognized and unrecognized financial instruments and how these risks are managed. The presentation standard carries forward former presentation requirements unchanged. The College is currently assessing the impact these new standards will have on its financial statements.

4. GRANTS RECEIVABLE

		2009	2008
MTCU	- First Generation Pilot Project	$2,939	$---
	- CB QIF Residual	---	1,643,175
	- QIF Growth Enhancement	---	1,335,010
	- Second Career	709,815	---
	- Interpreters Fund	---	14,330
	- General Purpose Operating	1,092,533	158,145
	- Evaluating Academic Readiness for Apprenticeship	25,000	24,091
	- Apprenticeship Enhancement	42,505	---
	- Ontario Student Opportunity Trust Fund	200,625	287,289
	- Labour Market Dev'l Agreement	171,807	186,535
	- CB PSE Transformation Aboriginal	---	102,000
	- TP SDB Service Del LMT Programs	106,934	164,925
	- CMAP	---	48,993
	- Enrollment Growth Envelope	3,139,660	747,573
	- Prov LMT Program	79,159	24,949
	- Key Performance	---	42,069
	- Enrollment Growth Flow Thru	---	7,214
	- Quality Support	---	7,515
	- Undergrad Nursing University Part York-Seneca	190,147	189,929
		$5,761,124	$4,983,742

5. ACCOUNTS RECEIVABLE

	2009	2008
Student Receivables	$967,327	$647,160
Staff	86,917	64,917
Kempenfelt Conference Centre	108,798	296,119
Residence	11,404	30,842
Trade Balances	3,614,284	3,142,918
	$4,788,730	$4,181,956

6. INVENTORY

	2009	2008
Beginning Inventory	$1,271,287	$1,326,554
Purchases	10,072,364	10,668,083
Goods Available	$11,343,651	$11,994,638
Cost of Goods Sold / Adjustments	(10,251,183)	(10,723,350)
Ending Inventory	$1,092,468	$1,271,287

7. (A) NOTE RECEIVABLE FROM STUDENT ASSOCIATION

The Student Association in Barrie has committed to contribute the construction cost of the Student Centre completed in 1997/98 and an expansion to the athletic facilities, within the Student Centre, completed in September 2003. The Student Association will make annual minimum payments of $550,000, until the balance, including accrued interest is paid in full. The College has arranged financing to support this receivable. (See Note 16)

The Student Association in Orillia has committed to contribute the construction cost of a Fitness Centre which was completed in 2004/05. The Student Association will make annual minimum payments of $130,000, until the balance, including accrued interest is paid in full.

The Notes Receivable funded through borrowed monies are charged the same rate of interest as that paid by the College to the lending institution. The portion of Notes Receivable funded by the College from its own resources bear interest at 3.00% (2008-4.75%).

Note Receivable	Barrie	Orillia	Total
Balance, beginning of year	$6,638,963	$ 1,713,886	$ 8,352,849
Payments received	(1,150,000)	(130,000)	(1,280,000)
Interest charged	284,178	28,906	313,084
Balance, end of year	5,773,141	1,612,792	7,385,933
Less Current Portion	550,000	130,000	680,000
	$ 5,223,141	$ 1,482,792	$ 6,705,933

(B) NOTE RECEIVABLE FROM ALUMNI ASSOCIATION AND FINANCIAL INSTRUMENTS

The Alumni Association has committed $500,000 to the Centre for Technology Enhanced Learning and an additional $100,000 towards a fitness centre at the Orillia Campus. Minimum payments for the year are calculated as a percentage of the prior year balance owing and will be made over a number of years to be completed no later than 2012/13. The current portion of the note outstanding at March 31, 2009 is $ 79,039 (2008 - $69,284), whereas the non-current balance is $224,809 (2008 - $289,104). These Notes Receivable are non-interest bearing.

Since the rates that the College charged the Alumni Association were not at market at inception, the carrying value of the instrument has been adjusted as of April 1, 2007 to fair value. The net unamortized balance at March 31, 2009 of the decrease to the financial asset resulting from this adjustment is $40,951 (2008 - $57,835).

8. RESTRICTED INVESTMENTS

Investments in the amount of $3,144,922.11 (2008 - $2,445,929) are restricted for Endowment purposes and are not available for general operations. Investments are comprised of the following:

	Fair Value	Cost
Cash	$776,239	$776,239
Fixed Income	1,570,738	1,600,062
Canadian Equity	507,455	577,621
U.S. Equity	150,819	225,616
International Equity	139,671	231,305
	$3,144,922	$3,410,843

The total of restricted cash and investments is $10,054,107(2008 - $5,307,540) representing the Endowment funds and the Deferred restricted contributions.

9. LONG TERM RECEIVABLE

The Georgian College Foundation was named as the beneficiary of a residual interest in a trust, and this asset legally remains with the Foundation. Under the trust agreement, all income earned on the funds during the lifetime of the settlers will be paid to them, with the original principal amount payable upon the later death of the income beneficiaries.

For the fiscal year ending March 31, 2009, the receivable is stated at the full principal amount of $1,500,000, as both of the income beneficiaries have reached the ages of average life expectancy. At December 31, 2008 the fair value of the trust assets net of liabilities was equal to $1,227,458. As a result of fluctuations in the current market economy, this has not been determined to be a permanent impairment and thus no adjustment for this loss has been recorded in the statements. Valuation at March 31, 2009 is not available.

10. DEFERRED CHARGES

Costs related to certain capital projects where the projects are not complete and therefore the assets have not begun their useful life, are recorded as deferred charges. These deferred costs will be capitalized as capital assets in the year when the assets are put in place or expensed in the year when the projects are cancelled. During 2008/09 the Marine Simulator Project was completed and the total costs were capitalized. Current projects that have been deferred in 2008/09 and their expected completion dates are as follows.

Project	Expected Completion	2009	2008
Marine Simulator	Fall 2008	---	$3,159,268
Human Resource Information System	Summer 2009	$1,671,254	---
Sustainable Technology Building	Fall 2009	2,557,621	---
Health & Wellness Building	Substantially complete March 2011	11,304	---
Heart & Stroke Defibrillators	Summer 2009	37,200	---
		$4,277,379	$3,159,268

THE GEORGIAN COLLEGE OF APPLIED ARTS AND TECHNOLOGY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2009

11. CAPITAL ASSETS

	2009			2008
ASSET	Cost	Accumulated Amortization	Net book Value	Net book value
Land	$1,225,822	---	$1,225,822	$1,221,956
Buildings	118,088,443	38,189,380	79,899,063	78,888,459
Site Improvements	4,431,188	3,057,945	1,373,243	1,272,546
Furniture and Fixtures	3,609,582	3,310,903	298,679	445,096
Equipment and Vehicles	18,364,859	14,788,944	3,575,914	3,534,514
Computers	8,657,626	7,223,961	1,433,665	987,963
Major Equipment	9,328,686	3,364,542	5,964,144	2,987,993
Leased Equipment	6,226,990	3,285,581	2,941,409	2,993,198
	169,933,195	73,221,256	96,711,939	92,331,725

12. BANK INDEBTEDNESS

The College has arranged for an unsecured five million dollar revolving demand facility to finance general operating requirements. The interest rate is Royal Bank Prime minus .50%.

13. GRANTS PAYABLE

The College receives various grants which must be spent during the fiscal year. Any unspent portion or overpayment is to be returned. These amounts are included in "Grants Payable".

		2009	2008
MTCU	- Job Connect	$86,502	$111,664
	- Literacy & Basic Skills	40,964	58,303
	- Summer Job Service	915	4,751
	- Interest Earned	6,672	20,735
	- Apprenticeship Enhancement	436	---
	- Apprentice Co-Diploma	---	3,500
	- Minimum Support Funding	---	593,063
	- Native Fixed Share	---	16,815
	- Disability Grant	---	349,869
		$135,489	$1,158,700

14. ACCOUNTS PAYABLE & ACCRUED LIABILITIES

	2009	2008
Trade Accounts Payables and Accruals	$8,039,817	$8,167,767
Accrued Payroll Liabilities	4,259,622	3,527,603
	$12,299,439	$11,695,370

15. LEASE LIABILITIES

The College has entered into various agreements to lease equipment up to five (5) years. The capital leases for computer equipment have built-in options, whereby the College is able to purchase the equipment at the end of the lease, or to return the equipment to the lessor. The operating leases are financial obligations entered into by the College for the rental of equipment, building maintenance, and security. The anticipated annual payments for the next five (5) fiscal years, under current lease arrangements, are as follows:

	Capital Leases	Operating Leases	Total
2009/10	$1,282,282	$1,622,634	$2,904,916
2010/11	928,279	1,317,906	2,246,185
2011/12	521,101	1,237,050	1,758,151
2012/13	45,388	768,545	813,933
2013/14	------	747,502	747,502
	2,777,050	5,693,637	8,470,687
Less Interest	(147,661)	------	(147,661)
	2,629,389	5,693,637	8,323,026
Less Current Portion	(1,198,570)	(1,622,634)	(2,821,204)
	$1,430,819	$4,071,003	$5,501,822

16. LONG-TERM DEBT PAYABLE, AND FINANCIAL INSTRUMENTS

(A) LONG TERM DEBT

The College has entered into the following long-term debt agreements.

	2009	2008
Related to Capital Assets Acquisition:		
Residence loan being an Agreement for a series of three month Bankers Acceptances to be issued by the College at BA rate plus 0.3%. The Bankers Acceptances will be issued in declining amounts for principal and interest amounts such that the obligation will be paid by September 2027.	$20,864,000	$21,429,000
Property and Equipment, term loan bearing interest at a fixed rate of 3.665%, repayable in blended monthly payments of $84,182, maturing March 2009.	154	985,457
Financial Information System, term loan bearing interest at a one year fixed rate of 4.55%, repayable in blended monthly installments of $16,369, maturing March 2010.	200,401	391,537
Financing the capital portion for Regional Campus Enhancements, term loan from Ontario Financing Authority bearing interest at a fixed rate of 3.954%, repayable in blended semi annually payments of $193,252, maturing March 2018.	2,902,865	3,166,627
Financing for the Owen Sound Marine Simulator, term loan from Ontario Financing Authority bearing interest at a fixed rate of 3.715% repayable in blended semi annually payments of $135,452, maturing March 2019.	2,245,600	---
Financing for Oracle Equipment/Software, loan from Dell Financial Services bearing interest at a fixed rate of 6.5% repayable in blended annual payments, maturing in June 2012.	874,140	---
	$27,087,160	25,972,621
Not Related to Capital Assets Acquisition:		
Financing Note Receivable from Student Association (See Note 7A) Non-revolving term facility through Bankers Acceptances to be issued by the College at BA rate plus 0.3%. The Bankers Acceptances will be issued both quarterly and annually such that the obligation will be paid by September 2030.	5,304,000	6,156,000
Financing the non-capital portion for Regional Campus Enhancements, term loan from Ontario Financing Authority bearing interest at a fixed rate of 3.954%, repayable in blended semi annually payments of $28,279, maturing March 2018.	424,654	463,373
	5,728,654	6,619,373
	32,815,814	32,591,994
Less current portion	1,816,017	2,315,297
	$30,999,797	30,276,697

Future principal payments over the next 5 years are as follows:

	Total
2010	1,816,017
2011	1,605,845
2012	1,667,995
2013	1,791,710
2014 and thereafter	25,934,247
Total	$32,815,814

(B) INTEREST RATE SWAPS

The College has entered into interest rate swap agreements to manage the volatility to interest rates. The floating interest rates on the residence financing and $5,244,000 of the Financing of the Note Receivable from the Student Association have been converted to fixed rates of 6.315% and 4.73% respectively by entering into the interest rate swaps. Interest expense in respect of the residence financing for 2009 is $1,396,460_(2008 - $1,429,865) and in respect of the financing on the note receivable for 2009 is $275,277 (2008 - $314,396). The maturity dates of the interest rate swaps are 2027 for the residence financing, and 2029 for financing of the Note Receivable from the Student Association.

The fair value of the interest rate swap agreements is based on amounts quoted by the College's bank to realize favourable contracts or settle unfavourable contracts, taking into account interest rates at March 31, 2009. As at March 31, 2009, the interest rate swap agreement was in a net unfavorable position, representing a liability of $6,057,048 (2008 - $3,922,261) and a decrease to net assets.

(C) OTHER FINANCIAL LIABILITIES

The interest rate pertaining to the property and equipment loan was not at market at the date of inception. The carrying value of the loan has been adjusted as of April 1, 2007 to fair value. The remaining unamortized balance of $5,099 was recorded as a loss on the statement of revenue over expenditure in 2009 with the offset decreasing the asset, as the loan was fully repaid.

17. DEFERRED REVENUE

	2009	2008
Student Fees Collected	$3,731,710	$3,626,913
Grants	3,722,778	5,871,026
Contract Training & Other Projects	508,056	697,551
	$7,962,544	$10,195,490

18. DUE TO STUDENT ASSOCIATIONS

The monies owed to the student associations are non interest bearing and are payable on demand.

19. DEFERRED CAPITAL CONTRIBUTIONS

Deferred capital contributions represent the unamortized amount of donations and grants received for the purchase of capital assets. Changes in the deferred capital contributions balance are as follows:

	2009	2008
Balance, beginning of year	$57,357,765	$57,541,260
Prior Year Adjustment	(93,413)	---
Contributions received for capital assets		
- Government grants	6,089,777	3,309,551
- Other	556,694	564,764
Donated Assets	---	53,891
Less: Amount amortized to revenue during the year		
- Government grants	(2,482,644)	(2,629,459)
- Other	(1,402,202)	(1,482,242)
Balance, end of year	$60,025,977	$57,357,765

20. DEFERRED REVENUE - FUTURE CAPITAL EXPANSION

The Ministry of Training, Colleges and Universities has paid $16,990,000 to the College from the SuperBuild Growth Fund. This is for two projects, the Centre for Technology and Enhanced Learning, and University-College Collaborative Programming. This funding along with pledged community support provided 2,750 new student spaces. Construction was substantially completed in the fall of 2003. Management expects to use the remaining funds to cover financing costs and technology enhancements. The following reflects the activity for the year:

	2009	2008
Balance, beginning of year	$57,993	$70,726
Expenses Incurred	3,957	12,733
Balance, end of year	$54,036	$57,993

21. DEFERRED RESTRICTED CONTRIBUTIONS

These represent unspent externally restricted funds not available for regular college operations. They include donations, scholarships and bursaries, unspent endowment investment income, student emergency loan funds, employment stability funds and funds held on behalf of third parties. Effective April 1, 2007, Georgian College assumed the ongoing and future philanthropic activities of The Georgian College Foundation. Assets of the Foundation were transferred to the College, and due to the external restrictions of these funds they are shown within Deferred Restricted Contributions.

21. DEFERRED RESTRICTED CONTRIBUTIONS (cont'd)

	2009	2008
Balance, beginning of year	$3,193,399	$389,448
Add: Funds Transferred from Georgian College Foundation	---	1,945,442
Contributions Received	5,893,430	1,016,076
Restricted Investment Income	157,930	153,224
Funds Held by Georgian College Foundation	1,521	1,049,899
	6,052,881	4,164,641
Less: Amount Recognized as Revenue in year	551,690	318,456
Student Award Payments	625,511	575,586
Disbursement of Funds	14,685	25,979
Uncollectible Student Loans	---	1,420
Deferred Capital Contributions	484,467	439,249
Transferred to Endowed Funds	122,365	---
Realized loss on investment	322,095	---
	2,120,813	1,360,690
Balance, end of year	$7,125,467	$3,193,399
Comprised of:		
Student Emergency Loan Funds	$54,394	$53,856
General Donations	26,931	26,931
Employment Stability Funds	315,325	319,599
Ontario College Staff Association	368	(132)
Special Project / Capital Campaigns	4,223,022	199,313
Annual Awards and Scholarships	365,657	419,174
Unspent Endowment Investment Income	241,597	535,206
Contributions and Fundraising	846,753	589,553
Funds Held by Georgian College Foundation	1,051,420	1,049,899
	$7,125,467	$3,193,399

22. INVESTMENT IN CAPITAL ASSETS

In addition to capital grants, the College invests surplus operating funds in capital assets. This investment in capital assets is as follows:

	2009	2008
Net book value of capital assets	$96,711,939	$92,331,725
Less: Deferred capital contributions (Note 19)	$60,025,977	57,357,765
Long Term Debt Payable (Note 16)	27,087,160	25,972,621
Capital lease obligations (Note 15)	2,629,389	2,712,460
Loan payable	---	7,250
	$6,969,413	$6,281,629

23. EMPLOYEE FUTURE BENEFITS, VACATION PAY AND SICK LEAVE ACCRUAL

The College provides certain employee benefits which will require funding in future periods:

	2009	2008
Vacation Pay	$6,401,847	$5,783,721
Sick Leave	1,012,771	1,113,986
Dental, health and life insurance	660,000	664,000
Parental Leaves	338,596	233,021
Short Term Disability	35,461	22,054
Balance, end of year	$8,448,675	$7,816,782

Dental, Health and Life Insurance

The College subsidizes premiums paid by its early retirees who retire prior to September 1, 2005 and its academic early and normal retirees for health, dental and life insurance coverage. The College also either subsidizes or pays the premiums on behalf of its employees on LTD for this same coverage. The College recognizes these post-retirement costs in the period in which the employees rendered the services. The accrued benefit liability was determined by an actuary using a discount rate of 5.5% (2008 - 5.50%). Unamortized plan gains/losses are amortized into income using the "10% corridor" approach whereby only the amount of unamortized gains/losses in excess of the corridor (10% of the accrued benefit obligation at the beginning of the fiscal year) is amortized in the current year's expense. The unamortized loss for 2009 is $230,000 (2008 - $319,000).

	2009	2008
Accrued benefit obligation, beginning of year	$828,000	$801,000
Expense for the period	79,000	84,000
Plan Amendment	8,000	(2,000)
Benefits paid	(90,000)	(55,000)
Accrued benefit obligation, end of year	825,000	828,000
Plan Assets	(165,000)	(164,000)
Accrued benefit liability, end of year	660,000	$664,000

The valuation of the assets available to offset the liability for the Premium Waiver on Life Insurance benefits was estimated by the actuary based on the amount of funds on deposit with Sun Life Insurance Company of Canada as at June 30, 2007 specifically allocated to the uninsured employer paid portion of the Premium Waiver.

The main assumptions employed for the valuations are as follows:

(a) Mortality Rates

Mortality rates are consistent with the assumptions used in the December 31, 2008 pension valuation for funding purposes, based on the 1994 Uninsured Pensioners Mortality Table.

(b) Medical and dental costs

Hospital and other medical costs were assumed to increase at 5% per year, drugs were assumed to increase by 10.5% per year, grading down to 4.5% in 2020 and dental costs were assumed to increase by 7.5% per year, grading down to 4.5% in 2014.

24. INTERNALLY RESTRICTED FUNDS

The College restricts amounts from the net asset balance, as approved by the Board of Governors. The balance of $69,974 at March 31, 2009 (2008 - 69,974) is for the Barrie Student Residence.

25. ENDOWMENT FUNDS

The College has the following endowment funds:

	2009	2008
Ontario Student Opportunity Trust Fund Phase 1	$624,746	$624,746
Ontario Student Opportunity Trust Fund Phase 2	54,024	20,408
Ontario Trust for Student Support	2,605,212	1,714,727
Other	960,147	943,260
	$4,244,129	$3,303,141
Unrealized Market Loss	(265,921)	(139,225)
Total	$3,978,208	$3,163,916

26. STATEMENT OF CASH FLOWS

The net change in non-cash working capital balances consists of the following:

	2009	2008
Grants Receivable	$(777,382)	$(2,013,406)
Accounts Receivable	(606,774)	(13,130)
Inventory	178,819	55,267
Prepaid Expenses	(754,448)	120,758
Grants Payable	(1,023,211)	450,950
Accounts Payable	604,069	142,148
Deferred Revenue	(2,232,946)	3,398,923
Due to Student Associations	(332,939)	672,786
	$(4,944,812)	$2,814,296

Interest paid by the College during the year was $1,982,292 (2008 - $1,998,684).

27. PENSION PLANS

The College makes contributions to The College of Applied Arts and Technology Plan (CAAT), which is a multi-employer plan, on behalf of the majority of the members of its staff. The plan is a defined benefit plan, which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay.

Contribution rates range from 9.3% to 11.1% depending on the proposed retirement age and the level of earnings. As a result $4,763,214 (2008 - $3,854,555) was contributed to CAAT during the year.

27. PENSION PLANS (cont'd)

Variances between actuarial funding estimates and actual experience may be material and any differences are generally to be funded by the participating members. The most recent triennial actuarial valuation of the Plan as at January 1, 2007, shows the plan has a going concern deficit of $586 million, however, when all the contribution increases scheduled for the three years are factored in the deficit is anticipated to be eliminated. The solvency valuation showed a solvency deficit of $64 million, considered to be a manageable size.

28. ONTARIO STUDENT OPPORTUNITY TRUST FUND (OSOTF) and ONTARIO TRUST FOR STUDENT SUPPORT (OTSS)

The College has created endowment funds subject to the Guidelines for Ontario Student Opportunity Trust Fund Phase I and Phase II and Guidelines for Ontario Trust for Student Support as issued by the Ministry of Training, Colleges and Universities (MTCU).

OSOTF PHASE I	Endowment Fund Balance	Expendable Funds Available for Bursaries	2009 Total	2008 Total
Balance, beginning of year	$624,746	$69,164	$693,910	$667,399
Investment income (loss), net of direct investment related expenses	---	(24,198)	(24,198)	47,689
Bursaries Awarded – 45 (2008 - 25)	---	25,350	25,350	21,178
Balance, end of year	$624,746	$19,616	$644,362	$693,910
The market value of the endowment as at March 31, 2009 was $556,242 (2008 - $614,667)				

OSOTF PHASE II	Endowment Fund Balance	Expendable Funds Available for Bursaries	2009 Total	2008 Total
Balance, beginning of year	$20,408	$2,802	$23,210	$21,769
Investment income (loss), net of direct investment related expenses	---	(790)	(790)	1,558
Contributions received	33,616	---	33,616	
Bursaries Awarded – Nil (2008 - 1)	---	---	---	117
Balance, end of year	$54,024	$2,012	$56,036	$23,210
The market value of the endowment as at March 31, 2009 was $51,786 (2008 - $20,079)				

28. ONTARIO STUDENT OPPORTUNITY TRUST FUND (OSOTF) and ONTARIO TRUST FOR STUDENT SUPPORT (OTSS) (cont'd)

OTSS	ENDOWMENT FUND BALANCE	EXPENDABLE FUNDS AVAILABLE FOR BURSARIES	2009 TOTAL	2008 TOTAL
Balance, beginning of year	$1,714,727	$64,278	$1,779,005	$1,088,462
Eligible cash donations received	253,774	---	253,774	237,423
Other cash donations received	13,028	487	13,515	1,500
MTCU matching funds received/receivable	623,683	---	623,683	421,689
MTCU matching grant returned	---	---	---	(300)
Investment income (loss), net of direct investment related expenses	---	(4,532)	(4,532)	52,231
Bursaries Awarded – 30 (2008 - 22)	---	31,300	31,300	22,000
Balance, end of year	$2,605,212	$28,933	$2,634,145	$1,779,005
The market value of the endowment as at March 31, 2009 was $2,417,396 (2008 - $1,717,400)				

29. ART COLLECTION HELD

The College, through its Design and Visual Arts programs, has built up a permanent study collection of Canadian and International art. Pieces have been received from guest lecturers in the Artist in Residency program and also through donations. The art is held for public exhibition, education and research.

Funds received through deaccessioning activities are to be used for the direct benefit of the Collection. The art collection at March 31, 2009 is comprised of approximately 4,510 pieces with a value as per charitable receipts issued of $3,855,445 (2008 - $3,855,445)

30. REPORTING ENTITY PROJECT

The government announced in the 2004 Budget its plans to consolidate the financial information of Colleges in the Province's financial statements starting with its fiscal year ending March 31, 2006.

The Ministry of Training, Colleges and Universities provided funding to the Colleges for eligible expenditures related to this initiative including audit and consulting costs, software costs, training costs and direct staff costs devoted to the project. The funding received for 2008/09 of $44,067 was spent on salaries and benefits.

31. COMPARATIVE INFORMATION

In certain instances, the comparative figures for 2008 have been restated to conform with the financial statement presentation adopted for 2009.

32. CONTINGENT LOSS

The College has been named in one legal suit, for which the College will likely incur a financial loss.

Although the actions are in the preliminary stages and the eventual outcome is unknown, Management has made a determination of the potential loss and has provided an accrual for $50,000 in respect of this.

Grant Thornton

Review Engagement Report

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To the Board of Governors of

The Georgian College of Applied Arts and Technology

We have reviewed the following consolidated Schedules 1 through 7 of The Georgian College of Applied Arts and Technology as at March 31, 2009. Our review was made in accordance with Canadian generally accepted accounting standards for review engagements and accordingly consisted primarily of enquiry, analytical procedures and discussion related to information supplied to us by the organization.

A review does not constitute an audit and consequently we do not express an audit opinion on these schedules.

Based on our review, nothing has come to our attention that causes us to believe that these consolidated schedules are not, in all material respects, in accordance with Canadian generally accepted accounting principles.

Grant Thornton LLP

Barrie, Ontario
May 29, 2009

Chartered Accountants,
Licensed Public Accountant

THE GEORGIAN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

SCHEDULE 1

CONSOLIDATED SCHEDULE OF OPERATING REVENUE

FOR THE YEAR ENDED MARCH 31, 2009

	2009	2008
GRANTS AND REIMBURSEMENTS		
Operating	$ 43,549,750	$ 42,229,106
Special Purpose	9,227,411	8,228,132
Grant In Lieu of Taxes	530,625	505,575
Career & Employment Preparation	3,539,429	3,441,037
Ontario Literacy and Basic Skills	2,681,586	2,503,647
Human Resources Development Canada	788,730	1,049,840
Apprenticeship	2,000,347	1,774,393
Capital Projects	1,351,924	3,645,022
Other	2,427,177	1,579,505
	66,096,979	64,956,257
STUDENT TUITION		
Full-Time Post Secondary Regulated	12,844,885	11,670,151
Tuition Short Regulated	96,120	114,756
Approved Part-Time Regulated	2,372,871	2,370,367
Additional Cost Recovery	7,027,255	5,922,572
Other Unfunded	11,235,226	9,864,482
Incidental Fees	8,985,511	8,284,959
	42,561,868	38,227,287
ANCILLARY OPERATIONS (Schedule 7)	18,087,087	16,830,840
RESTRICTED FUNDS	1,177,201	811,472
AMORTIZATION OF DEFERRED CAPITAL CONTRIBUTIONS	3,884,846	4,111,701
OTHER	9,447,331	9,119,140
TOTAL	**$ 141,255,312**	**$ 134,056,697**

(prepared without audit - see review engagement report)

THE GEORGIAN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

SCHEDULE 2

CONSOLIDATED SCHEDULE OF ACADEMIC EXPENDITURE

FOR THE YEAR ENDED MARCH 31, 2008

	2009	2008
Salaries - Academic	$ 35,230,082	$ 32,661,234
- Administration	3,802,363	3,842,621
- Support Staff	8,982,710	8,078,269
Fringe Benefits	8,328,789	7,239,404
Termination Gratuities	129,480	114,082
SUB-TOTAL	**56,473,424**	**51,935,610**
Instructional Supplies	2,662,627	2,421,215
Field Work	37,315	26,681
Office Supplies	94,129	114,016
Other Supplies & Expense	949,945	770,534
Postage and Courier Charges	162,808	159,453
Staff Employment	6,754	7,380
Professional Development	117,986	96,313
Travel	846,171	723,051
Advertising and Promotion	1,257,955	1,185,339
Telecommunications	446,675	418,418
Maintenance Office and Instructional Equipment	177,004	316,686
Insurance	41,589	66,011
Vehicle Expense	25,703	32,870
Interest and Bank Charges	1,969	1,868
Bad Debts Written Off	141,859	68,529
Long Term Debt Interest	43,156	74,271
Memberships and Dues	53,551	44,754
Professional Fees	9,083	120,890
Contract Security Services	1,230	2,194
Contract Cleaning Services	86,087	76,708
Contract Teaching Services	407,671	723,358
Other Contract Services	2,480,739	2,444,802
Furniture and Equipment Rentals	489,517	363,064
Furniture and Equipment, not fixed assets	844,974	1,049,311
Scholarships and Awards	361,742	113,555
TOTAL	**$ 68,221,663**	**$ 63,356,879**

(prepared without audit - see review engagement report)

SCHEDULE 3

CONSOLIDATED SCHEDULE OF STUDENT SERVICES EXPENDITURE

FOR THE YEAR ENDED MARCH 31, 2009

	2009	2008
Salaries - Academic	$ 2,015,318	$ 1,859,744
- Administration	1,020,221	905,732
- Support Staff	5,315,921	4,881,127
Fringe Benefits	1,873,774	1,549,120
SUB-TOTAL	**10,225,235**	**9,195,723**
Instructional Supplies	1,327,267	1,134,944
Field Work	9,307	11,793
Office Supplies	56,664	33,862
Other Supplies & Expense	468,768	420,480
Postage and Courier Charges	175,724	94,204
Professional Development	56,549	36,648
Travel	229,042	211,730
Advertising and Promotion	320,748	250,999
Telecommunications	65,455	60,865
Maintenance Office and Instructional Equipment	103,343	57,068
Vehicle Expense	61,786	45,401
Interest and Bank Charges	5,040	5,785
Memberships & Dues	54,357	29,734
Contract Security Services	-	765
Contract Cleaning Services	-	306
Other Contract Services	399,328	477,969
Furniture and Equipment Rentals	142,373	124,981
Furniture and Equipment, not fixed assets	199,681	261,562
Student Assistance	1,895,267	1,740,599
Scholarships and Awards	625,511	575,586
TOTAL	**$ 16,421,445**	**$ 14,771,003**

(prepared without audit - see review engagement report)

SCHEDULE 4

CONSOLIDATED SCHEDULE OF ADMINISTRATIVE EXPENDITURE

FOR THE YEAR ENDED MARCH 31, 2009

	2009	2008
Salaries - Academic	$ 421,716	$ 364,803
- Administration	3,978,590	3,513,211
- Support Staff	4,529,723	3,965,642
Fringe Benefits	1,951,319	1,706,060
Termination Gratuities	-	44,839
SUB-TOTAL	**10,881,348**	**9,594,556**
Instructional Supplies	32,756	10,668
Office Supplies	44,365	33,454
Other Supplies & Expense	147,209	123,513
Postage and Courier Charges	77,375	63,384
Staff Employment	68,678	78,583
Professional Development	144,464	166,632
Travel	223,436	210,480
Advertising and Promotion	794,211	542,949
Telecommunications	40,749	49,659
Maintenance Office and Instructional Equipment	296,794	101,788
Insurance	347,647	289,091
Vehicle Expense	2,823	295
Interest and Bank Charges	626,818	532,162
Long Term Debt Interest	540,930	399,526
Memberships and Dues	108,407	109,305
Professional Fees	425,152	461,346
Contract Security Services	16,001	16,520
Contract Cleaning Services	475	3,288
Other Contract Services	663,468	620,084
Furniture and Equipment Rentals	166,704	154,949
Furniture and Equipment, not fixed assets	340,195	444,480
Scholarships and Awards	189,438	92,577
Miscellaneous Expenses	5,623	13,583
TOTAL	**$ 16,185,066**	**$ 14,112,871**

(prepared without audit - see review engagement report)

THE GEORGIAN COLLEGE OF APPLIED ARTS AND TECHNOLOGY

SCHEDULE 5

CONSOLIDATED SCHEDULE OF PLANT & PROPERTY EXPENDITURE

FOR THE YEAR ENDED MARCH 31, 2009

	2009	2008
Salaries - Administration	$ 592,474	$ 617,559
- Support Staff	953,239	851,498
Fringe Benefits	340,882	316,913
SUB-TOTAL	**1,886,595**	**1,785,969**
Office Suplies	1,184	1,739
Postage and Courier Charges	443	196
Staff Employment	102	1,645
Professional Development	6,516	325
Travel	16,773	16,538
Telecommunications	60,819	56,695
Vehicle Expense	86,267	84,368
Long Term Debt Interest	-	91,870
Professional Fees	53,241	46,308
Contract Security Services	315,866	342,437
Contract Cleaning Services	1,035,944	965,883
Other Contract Services	195,179	196,252
Building Maintenance	2,251,589	4,047,670
Building Equipment Maintenance	1,470,741	1,070,098
Grounds Maintenance	162,201	151,536
Electricity	1,296,254	1,358,463
Fossil Fuels	740,460	524,710
Water	60,037	81,543
Refuse Removal	150,370	148,163
Municipal Taxes	3,679	9,186
Approved Premises Rental	379,635	263,422
Other Premises Rental	102,442	64,598
Furniture and Equipment Rentals	4,953	3,161
Miscellaneous Expenses	11,481	16,103
TOTAL	**$ 10,292,774**	**$ 11,328,877**

(prepared without audit - see review engagement report)

SCHEDULE 6

CONSOLIDATED SCHEDULE OF SUPPLEMENTARY EXPENDITURE

FOR THE YEAR ENDED MARCH 31, 2009

	2009	2008
Special Support Allowances	$ 110,133	$ 74,255
Student Insurance	1,999,908	1,823,787
Third Party Payments	1,358,621	1,296,837
Taxes Property and per Capita	530,625	505,575
Scholarships and Awards	1,106,094	1,172,263
TOTAL	**$ 5,105,380**	**$ 4,872,716**

(prepared without audit - see review engagement report)

SCHEDULE 7

CONSOLIDATED SCHEDULE OF ANCILLARY OPERATIONS

FOR THE YEAR ENDED MARCH 31, 2009

	BOOKSTORE		KEMPENFELT		OTHER		TOTAL	
	2009	2008	2009	2008	2009	2008	2009	2008
REVENUE								
Operations	$ 8,193,919	$ 7,590,025	$ 2,800,874	$ 2,874,183	$ 8,458,710	$ 7,853,026	$ 19,453,503	$ 18,317,234
Internal	(918,001)	(1,088,267)	(145,003)	(186,263)	(303,412)	(211,864)	(1,366,416)	$ (1,486,394)
TOTAL REVENUE	7,275,918	6,501,758	2,655,871	2,687,920	8,155,298	7,641,162	18,087,087	16,830,840
EXPENDITURE								
Salaries	928,529	748,809	1,529,885	1,459,156	2,091,336	1,914,516	4,549,750	4,122,481
Contract Services	22,027	13,089	33,840	32,570	246,378	212,643	302,245	258,301
Fringe Benefits	200,236	155,726	313,991	285,930	305,172	270,318	819,399	711,974
Professional Development	7,583	12,150	481	390	11,816	26,775	19,880	39,315
Travel	12,014	4,416	7,261	7,466	7,537	74,261	26,812	86,143
Memberships & Dues	602	1,194	2,626	2,947	5,477	1,779	8,705	5,920
Professional Fees	-	-	20,375	6,970	-	-	20,375	6,970
Advertising & Promotion	3,519	591	59,264	64,517	131,777	140,587	194,560	205,695
Equipment Maintenance	-	-	-	-	71,262	77,008	71,262	77,008
Telephone	5,853	4,915	33,164	32,463	167,205	200,571	206,222	237,949
Office Supplies	13,313	13,088	7,474	6,973	5,697	7,220	26,484	27,281
Other Supplies & Expense	42,128	13,394	62,917	81,606	172,517	197,179	277,562	292,179
Postage	675	5,336	8,193	5,505	3,468	3,498	12,336	14,339
Vehicle	-	-	8,681	8,964	1,955	1,387	10,636	10,351
Insurance	-	-	11,250	11,250	16,735	16,254	27,985	27,504
Cost of Operation	95,133	37,775	371,940	312,143	2,551,197	2,334,649	3,018,270	2,684,567
Cost of Inventory Sold	6,188,046	5,844,133	408,930	396,372	1,001,865	911,635	7,598,841	7,152,140
Internal	(918,001)	(1,088,267)	(145,003)	(186,263)	(303,412)	(211,864)	(1,366,416)	(1,486,394)
TOTAL EXPENDITURE	6,601,657	5,766,348	2,735,269	2,528,958	6,487,982	6,178,416	15,824,908	14,473,722
NET EXCESS	**$ 674,261**	**$ 735,410**	**$ (79,398)**	**$ 158,962**	**$ 1,667,316**	**$ 1,462,746**	**$ 2,262,179**	**$ 2,357,118**

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