Financial Statements of

THE CENTENNIAL COLLEGE OF APPLIED ARTS AND TECHNOLOGY

March 31, 2007

BDO Dunwoody LLP
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and Advisors

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Auditors' Report

To the Board of Governors of

The Centennial College of Applied Arts and Technology

We have audited the statement of financial position of The Centennial College of Applied Arts and Technology as at March 31, 2007 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, 2007 and the results of its operations and the changes in its net assets and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules 1 and 2 is presented for the purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to 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.

BDO Dunwoody LLP

Chartered Accountants, Licensed Public Accountants
Mississauga, Ontario
May 16, 2007

THE CENTENNIAL COLLEGE OF APPLIED ARTS AND TECHNOLOGY

March 31, 2007

THE CENTENNIAL COLLEGE OF APPLIED ARTS AND TECHNOLOGY
Statement of Financial Position
March 31, 2007

	2007	2006
ASSETS		
CURRENT		
Cash and short-term investments	$ 5,297,401	$ 2,197,513
Accounts receivable	13,412,678	12,900,288
Inventory	1,224,408	1,268,058
Prepaid expenses	1,098,588	1,295,626
	21,033,075	17,661,485
PREPAID LAND LEASE (Note 3)	8,813,491	8,908,261
LONG-TERM RECEIVABLE (Note 4)	3,559,197	3,733,291
CONSTRUCTION IN PROGRESS (Note 5)	436,986	6,386,950
CAPITAL ASSETS (Note 6)	132,744,376	134,179,054
	$ 166,587,125	$ 170,869,041
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued charges	$ 12,243,894	$ 10,939,959
Deferred revenue (Note 7)	9,779,537	9,142,687
Vacation Pay	6,757,947	6,495,901
Vested Sick Leave	1,937,331	2,110,390
Current portion of obligation under capital leases (Note 8)	2,537,706	3,309,296
Bank loans (Note 9)	4,164,125	4,440,174
Term Debt (Note 10)	19,880,357	21,551,928
	57,300,897	57,990,335
EMPLOYEE FUTURE BENEFITS (Note 11)	1,263,000	1,506,000
DEFERRED CONTRIBUTIONS (Note 12)	2,706,345	1,637,499
DEFERRED CAPITAL CONTRIBUTIONS (Note 13)	75,985,392	77,875,527
DEFERRED CAPITAL CONTRIBUTIONS RELATING TO PREPAID LAND LEASE (Note 3)	8,813,491	8,908,261
DEFERRED CAPITAL CONTRIBUTIONS RELATING TO CONSTRUCTION IN PROGRESS (Note 14)	775,287	1,970,968
OBLIGATION UNDER CAPITAL LEASES (Note 8)	3,117,131	5,656,432
	149,961,543	155,545,022
NET ASSETS		
Unrestricted		
General	(10,011,303)	(5,243,846)
Employee Future Benefits (Note 11)	(1,263,000)	(1,506,000)
Vacation Pay	(6,757,947)	(6,495,901)
Vested Sick Leave	(1,937,331)	(2,110,390)
	(19,969,581)	(15,356,137)
INVESTED IN CAPITAL ASSETS (Note 15)	32,322,270	27,501,443
INTERNALLY RESTRICTED (Note 16)	221,521	600,000
EXTERNALLY RESTRICTED (Note 17)	4,051,372	2,578,713
	16,625,582	15,324,019
	$ 166,587,125	$ 170,869,041

APPROVED BY THE BOARD

.... Board Chair

.... President

THE CENTENNIAL COLLEGE OF APPLIED ARTS AND TECHNOLOGY
Statement of Operations
Year ended March 31, 2007

		2007		2006
REVENUE				
Grants and reimbursements - Schedule 1	**$**	**76,297,818**	$	73,883,181
Student tuition		**34,287,093**		33,007,694
Ancillary operations - Schedule 2		**10,568,153**		10,493,473
Bibliocentre - Schedule 2		**9,134,145**		9,946,092
Deferred contributions recognized as revenue		**2,412,184**		3,363,718
Amortization of deferred capital contributions relating to prepaid land lease		**94,769**		94,769
Amortization of deferred capital contributions		**4,316,033**		3,622,157
Curtailment Gain on Employee Future Benefits		**-**		1,744,000
Other income - Schedule 1		**17,381,142**		15,056,223
		154,491,337		151,211,307
EXPENDITURE				
Academic		**82,759,392**		75,742,070
Student services		**17,306,766**		17,020,068
Administration		**10,672,642**		9,894,286
Plant		**6,888,572**		6,872,082
Supplementary		**3,271,296**		4,042,070
Ancillary operations - Schedule 2		**10,282,065**		10,253,247
Bibliocentre operations - Schedule 2		**9,134,145**		9,946,092
Amortization of capital assets		**12,470,562**		11,801,532
Interest expense & bank charges		**1,403,745**		1,504,975
Land lease expense		**94,769**		94,769
		154,283,954		147,171,191
EXCESS OF REVENUE OVER EXPENDITURE FOR THE YEAR	**$**	**207,383**	$	4,040,116

THE CENTENNIAL COLLEGE OF APPLIED ARTS AND TECHNOLOGY
Statement of Changes in Net Assets
Year ended March 31, 2007

	2007				2006
	Unrestricted	**Capital** (Note 15)	**Restricted** (Note 16)	**Total**	Total
BALANCE, BEGINNING OF OF YEAR	**$ (15,356,137)**	**$ 27,501,443**	**$ 3,178,713**	**$ 15,324,019**	$ 10,802,252
ENDOWMENTS RECEIVED DURING THE YEAR			**1,472,659**	**1,472,659**	681,651
INTERNALLY RESTRICTED SCHOLARSHIPS & BURSARIES			**(378,479)**	**(378,479)**	(200,000)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	**8,636,806**	**(8,429,423)**		**207,383**	4,040,116
INVESTMENT IN CAPITAL ASSETS	**(13,250,250)**	**13,250,250**		**-**	-
BALANCE, END OF YEAR	**$ (19,969,581)**	**$ 32,322,270**	**$ 4,272,893**	**$ 16,625,582**	$ 15,324,019

THE CENTENNIAL COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Statement of Cash Flows

Year ended March 31, 2007

		2007		2006
NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES				
OPERATING				
Excess of revenue over expenditure	$	**207,383**	$	4,040,116
Items not involving cash:				
Amortization of unrestricted capital assets		**8,429,423**		8,439,515
Amortization of restricted capital assets		**4,437,313**		3,741,887
Amortization of prepaid land lease		**94,769**		94,769
Amortization of deferred capital contributions		**(4,437,313)**		(3,741,887)
Amortization of deferred capital contributions relating to land lease		**(94,769)**		(94,769)
		8,636,806		12,479,632
Deferred contributions recognized as revenue in the year		**(2,440,081)**		(3,708,968)
		6,196,725		8,770,664
Changes in non-cash working capital items:				
Accounts receivable		**(512,390)**		5,184,631
Inventory		**43,650**		(212,574)
Prepaid expenses		**197,038**		(354,658)
Accounts payable and accrued charges		**1,303,935**		(2,094,070)
Accrual for vacation pay		**262,046**		300,880
Accrual for employee future benefits		**(243,000)**		(1,720,000)
Accrual for vested sick leave		**(173,059)**		(252,911)
Deferred revenue		**636,850**		(9,088,291)
		7,711,795		533,671
FINANCING				
Restricted contributions for endowments		**1,472,659**		681,651
Deferred contributions		**3,130,449**		2,952,366
Contributions received for capital purposes		**863,574**		8,004,435
Contributions received for construction in progress		**487,922**		2,642,140
Repayment of capital leases		**(3,310,891)**		(3,642,542)
Repayment of bank loans		**(276,049)**		(287,272)
Repayment of term debt		**(1,671,571)**		(1,074,184)
Long-term receivable		**174,094**		300,876
		870,187		9,577,470
INVESTING				
Construction in progress		**(411,111)**		(3,354,060)
Purchase of capital assets		**(5,070,983)**		(8,089,144)
		(5,482,094)		(11,443,204)
NET CASH INFLOW (OUTFLOW)		**3,099,888**		(1,332,063)
CASH & SHORT TERM INVESTMENTS, BEGINNING OF YEAR		**2,197,513**		3,529,576
CASH & SHORT TERM INVESTMENTS, END OF YEAR	**$**	**5,297,401**	$	2,197,513

1. DESCRIPTION OF ORGANIZATION

Centennial College of Applied Arts and Technology, established in 1967, is an Ontario college of applied arts and technology duly established pursuant to Ontario regulation 34/03 made under the Ontario Colleges of Applied Arts and Technology Act, 2002. The College is an agency of the Crown and provides postsecondary, vocationally oriented education in the areas of applied arts, business, health sciences and technology.

The College is a not-for-profit organization and, as such, is exempt from income taxes under the Income Tax Act (Canada).

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements of the College have been prepared in accordance with Canadian generally accepted accounting standards for not-for-profit organizations (using the deferral method of reporting restricted contributions).

Investments

Investments are recorded at the lower of cost or market value. As at March 31, 2007 and 2006, the market value of investments approximates cost. The bank account earned interest at an average rate of 3.9%. The investments earned interest from 4.0% to 4.25%

Revenue recognition

- The College follows the deferral method of accounting for contributions, which include donations and government grants. Tuition fees and contract training revenues are recognized as income to the extent that the related courses and services are provided within the fiscal year of the College.
- Ancillary revenues including parking, bookstore, residence and other sundry revenues are recognized when products are delivered or services are provided to the student or client. The sales price is fixed and determinable, and collection is reasonably assured.
- Unrestricted contributions are recognized as revenue when received or receivable.
- Externally restricted contributions and restricted investment income are recognized as revenue in the year in which the related expenses are incurred.
- Restricted contributions for the purchase of capital assets are deferred and amortized into revenue at a rate corresponding with the amortization rate for the related capital assets.
- Endowment contributions are recognized as direct increases in endowed net assets.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Valuation of inventories

Inventories other than books are valued at the lower of cost and net realizable value. Books are valued at the lower of cost and net realizable value using the retail inventory method. Cost is determined on the first-in first-out basis.

Capital assets

Purchased capital assets are recorded at cost less accumulated amortization. Contributed capital assets are recorded at fair value at the date of contribution. Repairs and maintenance costs are charged to expense. Betterments that extend the estimated life of an asset are capitalized. When a capital asset no longer contributes to the College's ability to provide services, its carrying amount is written down to its net realizable value.

Construction in progress is not recorded as a capital asset until construction is complete and the asset is put into service.

Capital assets are capitalized on acquisition and amortized on a straight-line basis over their useful lives, which has been estimated to be as follows:

Buildings	-	40 years
Buildings-Student Residence	-	20 years
Large Machinery	-	20 years
Site Improvements	-	10 years
Leasehold Improvements	-	5 years
Computer Equipment	-	3-5 years
Computer Software	-	5 years
Furniture and Equipment	-	5 years

Vacation pay

The College recognizes vacation pay as an expense on the accrual basis.

Employee future benefits

The College recognizes employee future benefits (health, dental, life insurance and other retirement obligations) as they are earned during the employees' tenure of service.

Vested sick leave

The College has provided for vested sick leave benefits during the year. Eligible employees, after 10 years of service, are entitled to receive 50% of their accumulated sick leave credit on termination or retirement to a maximum of 6 months salary. The program to accumulate sick leave credits ceased for employees hired after March 31, 1991. Historically, the Ministry of Training, Colleges and Universities has undertaken the funding of these expenditures as they are incurred and it is expected that this practice will continue in the future.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments

Unless otherwise noted, it is management's opinion that the college is not exposed to significant interest, currency or credit risk arising from its financial instruments and their fair value approximates their carrying value. The College has entered into an interest rate swap which is used to manage its exposure to fluctuations in interest rates. The swap agreement requires the monthly exchange of payments without the exchange of the notional principal amount on which the payments are based. The College designates its interest rate swap as a hedge of the underlying debt. Payments and receipts under the interest rate swap agreement are recognized as adjustments to interest expense.

Management estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the period. Actual results could differ from these estimates.

3. PREPAID LAND LEASE

The College has negotiated a land lease with the University of Toronto. This amount recorded as a prepaid land lease includes the original payment made to the University of Toronto less accumulated amortization for a ninety-nine year lease for land upon which the College has constructed a new campus. The amount will be expensed over the term of the lease.

4. LONG TERM RECEIVABLE

The College has financed the building of the Progress Campus Student Centre on behalf of the Centennial College Student Association Inc. ("CCSAI"). This receivable bears interest at prime minus 25 bps. This receivable is to be repaid through the collection of an annual student centre-building levy, which is collected from all full-time and part-time students.

	2007	2006
Note receivable	**$ 3,659,197**	$ 3,833,291
Less current portion estimate included in accounts receivable	**100,000**	100,000
	$ 3,559,197	$ 3,733,291

5. CONSTRUCTION IN PROGRESS

Construction in progress represents costs incurred to date on (i) School of Transportation lab renovations, approximately $271,000 (ii) other renovations, approximately $165,000. Once the construction has been completed, the total cost will be re-classified to capital assets and amortization will commence.

6. CAPITAL ASSETS

	2007			2006
	Cost	**Accumulated Amortization**	**Net Book Value**	Net Book Value
Land	**$ 4,122,726**	**$ -**	**$ 4,122,726**	$ 4,122,726
Buildings	**134,720,967**	**40,610,653**	**94,110,314**	96,168,178
Building - Student Residence	**13,317,902**	**3,577,373**	**9,740,529**	9,717,974
Leasehold improvements	**1,242,375**	**621,187**	**621,188**	869,663
Site Improvements	**59,844**	**2,992**	**56,852**	-
Furniture, equipment and computers	**75,543,642**	**63,207,922**	**12,335,720**	13,072,884
Computer Software	**12,377,832**	**4,893,978**	**7,483,854**	3,341,520
Computer equipment under capital leases	**26,424,514**	**23,601,915**	**2,822,599**	5,479,084
Large Machinery	**2,059,640**	**609,046**	**1,450,594**	1,407,025
	$ 269,869,442	**$ 137,125,066**	**$ 132,744,376**	$ 134,179,054

During the year no assets were financed directly by capital leases (2006: $0).

Amortization expense for the year is $12,866,736 (2006: $12,181,403).

7. DEFERRED REVENUE

	2007	2006
Advance tuition fees	**$ 7,262,984**	$ 6,063,010
Unexpended grants	**2,061,788**	2,617,665
Bibliocentre operations	**86,498**	193,268
Other	**368,267**	268,744
	$ 9,779,537	$ 9,142,687

8. OBLIGATION UNDER CAPITAL LEASES

	2007	2006
Total obligation under capital leases	**$ 6,078,898**	$ 9,842,078
Less amount representing interest at various rates	**424,061**	876,350
Obligation under capital leases	**5,654,837**	8,965,728
Less current portion	**2,537,706**	3,309,296
	$ 3,117,131	$ 5,656,432

Future minimum lease payments on capital leases are set out below:

Fiscal year ending March 31,	
2008	**2,792,408**
2009	**2,009,793**
2010	**1,276,697**
	$ 6,078,898

9. BANK LOANS

The College has a $6,000,000 operating line of credit of which no amount has been drawn upon as at March 31, 2007. In addition, the College has an unused demand instalment loan facility of $2,145,000. The bank loans outstanding at year-end are as follows:

	2007	2006
6.04% unsecured demand instalment bank loan, repayable in monthly instalments of $9,517 including interest	**404,125**	492,174
Demand loan bearing interest at prime minus 25bps, repayable in monthly instalments of $15,667 excluding interest. This loan is secured by a general security agreement on all assets of the Student Association (Progress Campus Student Centre)	**3,760,000**	3,948,000
	$ 4,164,125	$ 4,440,174

The principal amount due within the next five years and thereafter is as follows:

2008	**$ 255,051**
2009	**255,051**
2010	**255,051**
2011	**255,051**
2012	**255,051**
Thereafter	**2,888,870**
Total	**$ 4,164,125**

10. TERM DEBT

(i) The College has partially financed the building of the Student Residence through an unsecured non-revolving swap bank loan, repayable in monthly installments of $ 90,900 principal and interest. The College has fixed its interest rate at 6.82% through an interest rate swap for the term of the loan. The interest rate includes a credit spread of 0.35%. The interest rate swap is a derivative financial instrument. It has effectively locked in a fixed rate through 2026. As at March 31, 2007 the fair value of the interest rate swap was $1,965,739 (2006 - $1,993,376) in favour of the bank.

(ii) The College has partially financed the building of the HP Centre through an unsecured non-revolving swap bank loan, repayable in monthly installments of $153,420 principal and interest. The initial interest payment commenced September 2004; principal repayments began September 2005. Repayments are by way of equal monthly payments of principal plus interest. The College has fixed its interest rate at 5.48% through an interest rate swap for the term of the loan through 2012. The interest rate includes a credit spread of 1.0%. As at March 31, 2007, the fair value of the interest rate swap was $15,140 (2006 - $8,735) in favour of the bank.

	2007	2006
Term debt on the student residence (note i)	$ **12,042,983**	$ 12,343,951
Term debt on the HP Centre (note ii)	**7,837,374**	9,207,977
Total term debt	$ **19,880,357**	$ 21,551,928

The principal amount due within the next five years and thereafter is as follows:

2008	**1,766,954**
2009	**1,869,609**
2010	**1,978,257**
2011	**2,093,249**
2012	**1,992,117**
Thereafter	**10,180,171**
Total	$ **19,880,357**

11. EMPLOYEE FUTURE BENEFITS PAYABLE

Employee future benefits include health, dental, life insurance and after retirement obligation. The College recognizes these employee future benefits as they are earned during the employees' tenure of services. The related benefit liability was determined by an actuarial valuation study commissioned by the Council of Regents. Changes to the plan provisions and membership data in the year have resulted in an actuarial gain for 2007 of $243,000 (2006 – $1,720,000).

The major actuarial assumptions employed for the valuations are as follows:

a) *Interest (discount) rate*

The present value as at March 31, 2007 of the future benefits was determined using a discount rate of 4.85% (2006 – 5.0%).

b) *Drug Costs*

Drug costs were assumed to increase at a 9% rate for 2004 and decrease proportionately thereafter to an ultimate rate of 5% in 2010.

c) *Hospital and other medical*

Hospital and other medical costs were assumed to increase at 5% per annum.

d) *Dental costs*

Dental costs were assumed to increase at 4% per annum.

12. DEFERRED CONTRIBUTIONS

Deferred contributions represent unspent externally restricted funding that has been received and relates to a subsequent year. Changes in the contributions deferred to future periods are as follows:

	2007	2006
Balance, beginning of year	**$ 1,637,499**	$ 2,194,101
Less amounts recognized as revenue in the year	**2,440,081**	3,708,968
Add amounts received during the year	**3,508,927**	3,152,366
Balance, end of year	**$ 2,706,345**	$ 1,637,499

Comprised of:

	2007	2006
Scholarships and bursaries	**$ 1,940,167**	$ 945,510
Joint employment stability reserve	**514,810**	464,862
Bibliocentre	**251,368**	227,127
	$ 2,706,345	$ 1,637,499

13. 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. The changes in the deferred capital contributions balances are as follows:

	2007	2006
Balance, beginning of year	**$ 77,875,527**	$71,716,187
Less amortization of deferred capital contributions	**(4,437,313)**	(3,741,887)
Add contributions received for capital purposes	**2,547,178**	9,901,227
Balance, end of year	**$ 75,985,392**	$77,875,527

As at March 31, 2007 there were $1,502,605 (2006 - $2,207,746) of deferred capital contributions received which were not spent.

14. DEFERRED CAPITAL CONTRIBUTIONS RELATING TO CONSTRUCTION IN PROGRESS

Deferred capital contributions relating to construction in progress represents the amount of grant received for Facilities Renewal, Apprenticeship Enhancement and other projects in progress.

	2007	2006
Balance, beginning of year	**$ 1,970,968**	$ 1,225,621
Less amounts transferred to assets in the year	**(1,683,603)**	(1,896,793)
Add contributions received for capital purposes	**487,922**	2,642,140
Balance, end of year	**$ 775,287**	$ 1,970,968

As at March 31, 2007 there were $365,178 (2006 - $812,767) deferred capital contributions relating to construction in progress received which were not spent.

15. INVESTMENT IN CAPITAL ASSETS

A. Investment in capital assets represents the following:

	2007	2006
Capital assets	$ **132,744,376**	$ 134,179,054
Less amounts financed by:		
Obligation under capital lease (Note 8)	**5,654,837**	8,965,728
Bank loans (Note 9)	**404,125**	492,174
Term debt (Note 10)	**19,880,357**	21,551,928
Deferred capital contributions (Note 13)	**74,482,787**	75,667,781
Balance, end of year	$ **32,322,270**	$ 27,501,443

B. Change in net assets invested in capital assets is calculated as follows:

	2007	2006
Deficiency of revenues over expenses:		
Amortization of deferred capital contributions related to capital assets	$ **4,316,033**	$ 3,622,157
Amortization of deferred capital contributions related to capital assets of the Bibliocentre	**121,280**	119,730
Amortization of capital assets	**(12,866,736)**	(12,181,403)
	(8,429,423)	(8,439,516)
Net change in investment in capital assets:		
Purchase of capital assets and transfers from construction in progress	**11,432,058**	8,950,406
Amounts funded by deferred capital contributions	**(3,252,319)**	(8,026,765)
Repayment of capital leases	**3,310,891**	3,642,542
Repayment of bank loans	**88,049**	99,272
Repayment of term debt	**1,671,571**	1,074,184
	13,250,250	5,739,639
	$ **4,820,827**	$ (2,699,877)

16. INTERNALLY RESTRICTED NET ASSETS

Internally restricted amount represents money set aside by College senior management for the expressed purpose of contributing to or setting up a College endowment fund and other special projects. During the year, senior management authorized scholarship awards of $378,479 (2006 - $200,000).

17. EXTERNALLY RESTRICTED NET ASSETS

Externally restricted net assets include restricted donations received by the College where the endowment principal is required to be maintained intact. The investment income generated from these endowments must be used in accordance with the various purposes established by donors. The College ensures, as part of its fiduciary responsibilities, that all funds received with a restricted purpose are expended for the purpose for which they were provided. The book value of College endowment funds approximates market value as at March 31, 2007.

Investment income on endowments has been recorded in the statement of operations since this income is available for spending, as the donors' conditions have been met.

Externally restricted endowment funds include grants provided by the Government of Ontario from the Ontario Student Opportunity Trust Fund. Under this program, the government matches funds raised by the College. The purpose of the program is to assist academically qualified individuals who, for financial reasons, would not otherwise be able to attend College.

Schedule of Changes in Endowment Fund Balances
For the Year Ended March 31, 2007

	2007					2006
	OSOTF I	**OSOTF II**	**OTSS**	**Other**	**TOTAL**	TOTAL
Fund balance at beginning of year	**$ 343,800**	**$ 1,393,358**	**$ 582,660**	**$ 258,895**	**$ 2,578,713**	$ 1,897,062
Cash Donations Received From Other Sources				**42,862**	**42,862**	98,991
OTSS Cash Donations Received Ceiling		**(1,457)**	**437,600**		**436,143**	238,536
OTSS Funds received from MTCU			**221,286**		**221,286**	-
OTSS Funds receivable from MTCU			**772,368**		**772,368**	344,124
Fund balance at end of year	**$ 343,800**	**$ 1,391,901**	**$ 2,013,914**	**$ 301,757**	**$ 4,051,372**	$ 2,578,713

Schedule of Changes in Expendable Funds Available for Awards
For the Year Ended March 31, 2007

	2007					2006
	OSOTF I	**OSOTF II**	**OTSS**	**Other**	**TOTAL**	TOTAL
Balance, beginning of year	**$ 17,170**	**$ 46,044**	**$ 1,028**	**$ 12,404**	**$ 76,646**	$ 23,291
Investment Income, net of direct investment related expenses	**13,652**	**50,784**	**35,125**	**7,132**	**106,693**	53,355
Bursaries awarded	**(27,384)**	**(59,526)**	**(3,798)**		**(90,708)**	
Balance at end of year	**$ 3,438**	**$ 37,302**	**$ 32,355**	**$ 19,536**	**$ 92,631**	$ 76,646
Bursaries awarded (#) (2006: Nil)	**54**	**121**	**8**		**183**	Nil

18. PENSION COSTS

A majority of the College's employees are participants in the contributory retirement pension plan of the Colleges of Applied Arts and Technology. Any unfunded liability is to be paid directly by the Ministry of Training, Colleges and Universities. Contributions by the College on account of current service pension costs amounted to $4,948,476 (2006 - $4,672,871).

19. COMMITMENTS

The College is committed to estimated minimum annual payments under operating lease agreements over the next five years as follows:

	Leased premises	Equipment and services	Total
2008	456,558	2,562,101	$ 3,018,659
2009	456,558	2,529,141	$ 2,985,699
2010	-	2,249,141	$ 2,249,141
2011	-	1,598,165	$ 1,598,165
2012	-	1,598,165	$ 1,598,165
Thereafter		399,541	$ 399,541
	$ 913,116	$ 10,936,254	$ 11,849,370

20. BIBLIOCENTRE

The Bibliocentre is a division of Centennial College that provides services to all Ontario community colleges and is funded by revenues from the colleges and grants from Ministry of Training, Colleges and Universities. The services provided by Bibliocentre include access to software and college's digital libraries, network access, sales of product, services and learning packages. Schedule 2 provides the details of the Bibliocentre operations.

An amount of $251,368 (2006: $227,127) is restricted for future Bibliocentre expenditures and is included as part of deferred contributions (Note 12) and $86,498 (2006- $193,268) represents deferred revenue (Note 7). An amount of $299,611 (2006 - $307,952) has been restricted as deferred capital contribution (Note 13) and an amount of $102,043 (2006 - $112,940) has also been restricted as deferred capital contribution relating to construction in progress (Note 14).

21. COMPARATIVE FIGURES

Certain of prior year's figures have been reclassified to conform with the current year's presentation.

THE CENTENNIAL COLLEGE OF APPLIED ARTS AND TECHNOLOGY
Schedule of Grants, Reimbursements and Other Income
Year ended March 31, 2007 **Schedule 1**

		2007		2006
GRANTS AND REIMBURSEMENTS				
General operating grant	**$**	**60,688,687**	$	57,431,308
Special projects revenue		**6,577,399**		7,084,399
Apprenticeship		**6,495,318**		6,761,627
Ontario training strategy and future initiatives		**1,552,329**		1,487,069
Grant in lieu of municipal taxation		**712,725**		795,600
Sick leave gratuities		**271,360**		323,178
	$	**76,297,818**	$	73,883,181
OTHER INCOME				
User Fees	**$**	**6,132,493**	$	5,994,071
Contract training - international		**2,745,948**		1,788,472
Contract training - domestic		**1,457,472**		1,715,921
Teaching labs		**1,674,501**		1,638,589
Apprenticeship classroom fees		**836,665**		854,773
Other		**4,534,063**		3,064,397
	$	**17,381,142**	$	15,056,223

THE CENTENNIAL COLLEGE OF APPLIED ARTS AND TECHNOLOGY
Schedule of Ancillary and Bibliocentre Operations
Year ended March 31, 2007 **Schedule 2**

ANCILLARY OPERATIONS

	2007					2006
	Bookstores	**Residence**	**Parking**	**Other**	**Total**	Total
REVENUE	$ 5,921,467	$ 2,385,773	$ 1,930,460	$ 330,453	$ 10,568,153	$ 10,493,473
EXPENDITURE						
Books, fees & other materials	4,774,647	-	688,316		5,462,963	5,381,083
Salaries & benefits	813,851	267,172	206,026		1,287,049	1,289,620
Rent and taxes		-	72,639		72,639	73,051
Contract Services		436,931	884,700		1,321,631	1,347,505
Conference Centre		478,395			478,395	442,307
Management fee		88,869			88,869	92,678
Mortgage interest		832,441			832,441	852,624
Utilities		365,435	87,000		452,435	452,153
Other operating expense	98,814	150,831	27,734	8,264	285,643	322,226
	5,687,312	2,620,074	1,966,415	8,264	10,282,065	10,253,247
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURE	$ 234,155	$ (234,301)	$ (35,955)	$ 322,189	$ 286,088	$ 240,226

BIBLIOCENTRE OPERATIONS

	2007	2006
REVENUE		
Government grants	$ 3,062,395	$ 3,062,838
Sales	5,922,572	6,418,275
Deferred Capital contributions recognized as revenue	121,280	119,730
Deferred contributions recognized as revenue	27,898	345,249
	9,134,145	9,946,092
EXPENDITURE		
DIRECT EXPENSES		
Salaries and benefits	2,799,898	2,657,609
Book and other materials	4,658,592	5,212,515
Amortization of capital assets	396,174	379,870
Interest expense	19,388	38,984
Other operating expenses	1,020,093	1,417,114
TOTAL DIRECT	8,894,145	9,706,092
INDIRECT EXPENSES		
Allocated College services	240,000	240,000
TOTAL OPERATING EXPENDITURE	9,134,145	9,946,092
EXCESS OF REVENUE OVER EXPENDITURE	$ -	$ -