Financial Statements of

THE CENTENNIAL COLLEGE OF APPLIED ARTS AND TECHNOLOGY

March 31, 2008

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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, 2008 and the statements of operations, changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the College's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, these financial statements present fairly, in all material respects, the financial position of the College as at March 31, 2008 and the results of its operations and 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, 2008

THE CENTENNIAL COLLEGE OF APPLIED ARTS AND TECHNOLOGY
March 31, 2008

THE CENTENNIAL COLLEGE OF APPLIED ARTS AND TECHNOLOGY
Statement of Financial Position
March 31, 2008

	2008	2007
ASSETS		
CURRENT		
Cash and short-term investments	$ 22,814,408	$ 5,297,401
Accounts receivable	12,609,914	13,412,678
Inventory	398,523	1,224,408
Prepaid expenses	1,331,415	1,098,588
	37,154,260	21,033,075
PREPAID LAND LEASE (Note 4)	8,718,722	8,813,491
LONG-TERM RECEIVABLE (Note 5)	3,362,729	3,559,197
CONSTRUCTION IN PROGRESS (Note 6)	-	436,986
CAPITAL ASSETS (Note 7)	129,123,235	132,744,376
	$ 178,358,946	$ 166,587,125
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued charges	$ 13,827,855	$ 12,243,894
Deferred revenue (Note 8)	12,655,674	9,779,537
Vacation Pay	6,960,482	6,757,947
Vested Sick Leave	1,794,283	1,937,331
Current portion of obligation under capital leases (Note 9)	1,870,243	2,537,706
Bank loans (Note 10)	3,572,000	4,164,125
Term Debt (Note 11)	18,142,351	19,880,357
	58,822,888	57,300,897
EMPLOYEE FUTURE BENEFITS (Note 12)	1,288,000	1,263,000
DEFERRED CONTRIBUTIONS (Note 13)	2,514,794	2,706,345
DEFERRED CAPITAL CONTRIBUTIONS (Note 14)	86,105,502	75,985,392
DEFERRED CAPITAL CONTRIBUTIONS RELATING TO PREPAID LAND LEASE (Note 4)	8,718,722	8,813,491
DEFERRED CAPITAL CONTRIBUTIONS RELATING TO CONSTRUCTION IN PROGRESS (Note 15)	-	775,287
INTEREST RATE SWAP (Note 11)	2,315,632	
OBLIGATION UNDER CAPITAL LEASES (Note 9)	1,247,166	3,117,131
	161,012,704	149,961,543
NET ASSETS		
Unrestricted		
General	(9,979,017)	(10,011,303)
Employee Future Benefits	(1,288,000)	(1,263,000)
Vacation Pay	(6,960,482)	(6,757,947)
Interest rate swap	(2,315,632)	-
Vested Sick Leave	(1,794,283)	(1,937,331)
	(22,337,414)	(19,969,581)
INVESTED IN CAPITAL ASSETS (Note 16)	33,954,676	32,322,270
INTERNALLY RESTRICTED (Note 17)	221,521	221,521
EXTERNALLY RESTRICTED (Note 18)	5,507,459	4,051,372
	17,346,242	16,625,582
	$ 178,358,946	$ 166,587,125

APPROVED BY THE BOARD

.... Board Chair

.... President

THE CENTENNIAL COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Statement of Operations
Year Ended March 31, 2008

		2008		2007
REVENUE				
Grant and reimbursements (schedule 1)	$	**79,294,374**	$	76,297,818
Enrolment revenues		**45,837,414**		41,630,893
Contract training		**6,991,650**		4,203,420
Restricted contribution recognized as revenue		**3,306,335**		2,412,184
Amortization of deferred capital contributions		**4,568,116**		4,410,802
Other income		**5,899,388**		5,833,922
Ancillary operations (schedule 2)		**20,158,135**		19,702,298
		166,055,412		**154,491,337**
EXPENDITURE				
Salaries and benefits		**95,697,922**		90,270,370
Operating expense		**23,204,743**		21,735,481
Plant and property expenditures		**9,036,278**		7,884,378
Amortization of capital assets		**13,434,902**		12,565,331
Bursary and scholarship		**3,306,335**		2,412,184
Ancillary operations (schedule 2)		**19,795,027**		19,416,210
		164,475,207		**154,283,954**
EXCESS OF REVENUE OVER EXPENDITURE FOR THE YEAR	**$**	**1,580,205**	**$**	**207,383**

THE CENTENNIAL COLLEGE OF APPLIED ARTS AND TECHNOLOGY
Statement of Changes in Net Assets
Year ended March 31, 2008

	2008					2007
		Interest Swap	Capital	Restricted		
	Unrestricted	(Note 11)	(Note 16)	(Note 17 & Note 18)	Total	Total
BALANCE, BEGINNING OF YEAR	$ (19,969,581)	$ -	$ 32,322,270	$ 4,272,893	$ 16,625,582	$ 15,324,019
ACCOUNTING CHANGES FINANCIAL INSTRUMENTS (Note 3)		(1,980,879)			(1,980,879)	-
ENDOWMENTS RECEIVED DURING THE YEAR				1,456,087	1,456,087	1,472,659
INTERNALLY RESTRICTED SCHOLARSHIPS & BURSARIES					-	(378,479)
EXCESS OF REVENUES OVER EXPENDITURES	10,671,049		(9,090,844)		1,580,205	207,383
CHANGE IN FAIR VALUE OF INTEREST RATE SWAP		(334,753)			(334,753)	-
INVESTMENT IN CAPITAL ASSETS	(10,723,250)		10,723,250	-	-	-
BALANCE, END OF YEAR	$ (20,021,782)	$ (2,315,632)	$ 33,954,676	$ 5,728,980	$ 17,346,242	$ 16,625,582

THE CENTENNIAL COLLEGE OF APPLIED ARTS AND TECHNOLOGY

Statement of Cash Flows

March 31, 2008

		2008	2007
NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES			
OPERATING			
	Excess of revenue over expenditure	$ 1,580,205	$ 207,383
	Items not involving cash:		
	Amortization of unrestricted capital assets	9,090,844	8,429,423
	Amortization of restricted capital assets	4,603,103	4,437,313
	Amortization of prepaid land lease	94,769	94,769
	Amortization of deferred capital contributions	(4,603,103)	(4,437,313)
	Amortization of deferred capital contributions relating to land lease	(94,769)	(94,769)
		10,671,049	8,636,806
	Deferred contributions recognized as revenue in the year	(3,615,725)	(2,440,081)
		7,055,324	6,196,725
	Changes in non-cash working capital items:		
	Accounts receivable	802,764	(512,390)
	Inventory	825,885	43,650
	Prepaid expenses	(232,827)	197,038
	Accounts payable and accrued charges	1,583,961	1,303,935
	Accrual for vacation pay	202,535	262,046
	Accrual for employee future benefits	25,000	(243,000)
	Accrual for vested sick leave	(143,048)	(173,059)
	Deferred revenue	2,876,137	636,850
		12,995,731	7,711,795
FINANCING			
	Restricted contributions for endowments	1,456,087	1,472,659
	Deferred contributions	3,424,175	3,130,449
	Contributions received for capital purposes	13,947,926	863,574
	Contributions received for construction in progress	-	487,922
	Repayment of capital leases	(2,537,428)	(3,310,891)
	Repayment of bank loans	(592,125)	(276,049)
	Repayment of term debt	(1,738,006)	(1,671,571)
	Long-term receivable	196,468	174,094
		14,157,097	870,187
INVESTING			
	Construction in progress	(37,423)	(411,111)
	Purchase of capital assets	(9,598,397)	(5,070,983)
		(9,635,820)	(5,482,094)
NET CASH INFLOW		17,517,007	3,099,888
CASH AND SHORT- TERM INVESTMENTS, BEGINNING OF YEAR		5,297,401	2,197,513
CASH AND SHORT -TERM INVESTMENTS, END OF YEAR		$ 22,814,408	$ 5,297,401

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).

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)

Investments

Short-term investments are daily interest earned investments and interest is earned at a rate of Bankers Acceptance less 0.15%.

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.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

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 is party to an interest rate swap agreement that manages the exposure to market risks from changing interest rates. The College's policy is not to utilize derivative financial instruments for trading or speculative purposes. The College formally documents the relationships between hedging instruments and hedged items, as well as its risk management objectives and strategies for undertaking hedge transactions. This process includes linking the interest rate swap to the demand loan on the statement of financial position. The College also formally assesses, both at the hedge's inception and on an ongoing basis, whether the interest rate swap that is used in the hedging transaction is highly effective in offsetting changes in cash flows of the hedged items.

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. CHANGE IN ACCOUNTING POLICY

On April 1, 2007, the College retrospectively adopted, without restatement of prior periods, CICA Handbook Section 3855, "Financial Instruments - Recognition and Measurement", Section 3861, "Financial Instruments – Disclosure and Presentation" and Section 3865, "Hedges". The effects of adoption of these standards was a decrease in opening net assets of $1,980,879 to reflect the unfavourable position of the interest rate swap agreement.

4. 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.

5. 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.

	2008	2007
Note receivable	**$ 3,462,729**	$ 3,659,197
Less current portion estimate included in accounts receivable	**100,000**	100,000
	$ 3,362,729	$ 3,559,197

6. CONSTRUCTION IN PROGRESS

Construction in progress represents costs incurred to date on incomplete, ongoing renovations or capital projects. As at March 31, 2008, construction in progress amounted to $Nil (2007 - $436,986)

7. CAPITAL ASSETS

	2008			2007
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Land	$ 4,122,726	$ -	$ 4,122,726	$ 4,122,726
Buildings	138,179,878	44,022,663	94,157,215	94,110,314
Building - Student Residence	13,574,098	4,249,673	9,324,425	9,740,529
Leasehold improvements	1,242,375	869,663	372,712	621,188
Site Improvements	114,903	11,730	103,173	56,852
Furniture, equipment and computers	79,355,543	67,789,754	11,565,789	12,335,720
Computer Software	14,377,454	7,569,342	6,808,112	7,483,854
Computer equipment under capital leases	26,424,514	25,593,270	831,244	2,822,599
Large Machinery	2,550,756	712,917	1,837,839	1,450,594
	$ 279,942,247	$ 150,819,012	$ 129,123,235	$ 132,744,376

During the year no assets were financed directly by capital leases (2007: $Nil).

Amortization expense for the year is $13,693,947 (2007: $12,866,736).

THE CENTENNIAL COLLEGE OF APPLIED ARTS AND TECHNOLOGY
Notes to the Financial Statements
March 31, 2008

8. DEFERRED REVENUE

	2008	2007
Advance tuition fees	$ 7,994,414	$ 7,262,984
Unexpended grants	4,282,443	2,061,788
Bibliocentre operations	29,512	86,498
Other	349,305	368,267
	$ 12,655,674	$ 9,779,537

9. OBLIGATION UNDER CAPITAL LEASES

	2008	2007
Total obligation under capital leases	$ 3,282,284	$ 6,078,898
Less amount representing interest at various rates	164,875	424,061
Obligation under capital leases	3,117,409	5,654,837
Less current portion	1,870,243	2,537,706
	$ 1,247,166	$ 3,117,131

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

Fiscal year ending March 31,	
2009	$ 2,006,590
2010	1,275,694
	$ 3,282,284

10. BANK LOANS

The College has a $6,000,000 operating line of credit during the months of October through April and a $10,000,000 operating line of credit during the months of May through September. No amount has been drawn upon this operating line of credit as at March 31, 2008. In addition, the College has an unused demand instalment loan facility of $2,145,000. The bank loan outstanding at year-end is as follows:

		2008		2007
6.04% unsecured demand instalment bank loan, fully repaid in February 2008.	**$**	**-**	$	404,125
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)		**3,572,000**		3,760,000
	$	**3,572,000**	$	4,164,125

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

2009	**$**	**188,004**
2010		**188,004**
2011		**188,004**
2012		**188,004**
2013		**188,004**
Thereafter		**2,631,980**
Total	**$**	**3,572,000**

11. 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, 2008 the agreement qualified as a hedging transaction.

The fair value of the interest rate swap (in favour of the bank) of $2,236,010 (2007 - $1,965,739) is recorded on the statement of financial position. Because the hedging relationship is effective, the change in fair value of the interest rate swap is recorded in the statement of net assets, with no impact on the College's excess of revenue over expenditures.

(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, 2008, the agreement qualified as a hedging transaction. The fair value of the interest rate swap was $79,622 (2006 - $15,140) in favour of the bank and is recorded on the statement of financial position. The change in fair value of the interest rate swap is recorded in the statement of net assets with no impact on the College's excess of revenue over expenditures.

	2008	2007
Term debt on the student residence (note i)	$ 11,721,954	$ 12,042,983
Term debt on the HP Centre (note ii)	6,420,397	7,837,374
Total term debt	$ 18,142,351	$ 19,880,357

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

	Total	HP Centre	Student Residence
2009	$ 1,869,609	$ 1,527,183	$ 342,426
2010	1,978,257	1,613,007	365,250
2011	2,093,249	1,703,654	389,595
2012	1,992,117	1,576,553	415,564
2013	443,262	-	443,262
Thereafter	9,765,857	-	9,765,857
Total	$ 18,142,351	$ 6,420,397	$ 11,721,954

12. 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 loss for 2008 of $25,000 (2007 – Gain of $243,000).

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

a) *Interest (discount) rate*

The present value as at March 31, 2008 of the future benefits was determined using a discount rate of 5.50% (2007 – 4.85%).

b) *Drug Costs*

Drug costs were assumed to increase at a 10.5% rate for 2008 and decrease proportionately thereafter to an ultimate rate of 5.5% 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 7.5% per annum in 2008 and decrease proportionately thereafter to an ultimate rate of 4.5% in 2014.

13. 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:

	2008	2007
Balance, beginning of year	$ **2,706,345**	$ 1,637,499
Less amounts recognized as revenue in the year	**(3,615,725)**	(2,440,081)
Add amounts received during the year	**3,424,174**	3,508,927
Balance, end of year	$ **2,514,794**	$ 2,706,345

Comprised of:

	2008	2007
Scholarships and bursaries	$ 1,610,453	$ 1,940,167
Joint employment stability reserve	535,902	514,810
Bibliocentre	368,439	251,368
	$ 2,514,794	$ 2,706,345

14. 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:

	2008	2007
Balance, beginning of year	$ 75,985,392	$ 77,875,527
Less amortization of deferred capital contributions	(4,603,103)	(4,437,313)
Add contributions received for capital purposes	14,723,213	2,547,178
Balance, end of year	$ 86,105,502	$ 75,985,392

As at March 31, 2008 there were $12,196,703 (2007 - $1,502,605) of deferred capital contributions received which were not spent.

15. 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.

	2008	2007
Balance, beginning of year	$ 775,287	$ 1,970,968
Less amounts transferred to assets in the year	(775,287)	(1,683,603)
Add contributions received for capital purposes	-	487,922
Balance, end of year	$ -	$ 775,287

As at March 31, 2008, unspent deferred capital contributions received relating to construction in progress was $ Nil (2007 - $365,178).

16. INVESTMENT IN CAPITAL ASSETS

A. Investment in capital assets represents the following:

		2008		2007
Capital assets	$	129,123,235	$	132,744,376
Less amounts financed by:				
Obligation under capital lease (Note 9)		3,117,409		5,654,837
Bank loans (Note 10)		-		404,125
Term debt (Note 11)		18,142,351		19,880,357
Deferred capital contributions (Note 14)		73,908,799		74,482,787
Balance, end of year	$	33,954,676	$	32,322,270

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

		2008		2007
Deficiency of revenues over expenses:				
Amortization of deferred capital contributions related to capital assets	$	4,473,347	$	4,316,033
Amortization of deferred capital contributions related to capital assets of the Bibliocentre		129,756		121,280
Amortization of capital assets		(13,693,947)		(12,866,736)
		(9,090,844)		(8,429,423)
Net change in investment in capital assets:				
Purchase of capital assets and transfers from construction in progress		10,072,806		11,432,058
Amounts funded by deferred capital contributions		(4,029,115)		(3,252,319)
Repayment of capital leases		2,537,428		3,310,891
Repayment of bank loans		404,125		88,049
Repayment of term debt		1,738,006		1,671,571
		10,723,250		13,250,250
	$	1,632,406	$	4,820,827

17. INTERNALLY RESTRICTED NET ASSETS

Internally restricted net assets represent 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.

18. 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 equals market value as at March 31, 2008.

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, 2008

	2008					2007
	OSOTF I	**OSOTF II**	**OTSS**	**Other**	**TOTAL**	TOTAL
Fund balance at beginning of year	**$ 343,800**	**$ 1,391,901**	**$ 2,013,914**	**$ 301,757**	**$ 4,051,372**	$ 2,578,713
Cash Donations Received From Other Sources	-	-	-	-	-	42,862
OTSS Cash Donations Received Ceiling	-	-	**510,388**	-	**510,388**	436,143
OTSS Funds received from MTCU	-	-	**362,211**	-	**362,211**	221,286
OTSS Funds receivable from MTCU	-	-	**583,488**	-	**583,488**	772,368
Fund balance at end of year	**$ 343,800**	**$ 1,391,901**	**$ 3,470,001**	**$ 301,757**	**$ 5,507,459**	$ 4,051,372

Schedule of Changes in Expendable Funds Available for Awards
For the Year Ended March 31, 2008

	2008					2007
	OSOTF I	OSOTF II	OTSS	Other	TOTAL	TOTAL
Balance, beginning of year	$ 3,438	$ 37,302	$ 32,355	$ 19,536	$ 92,631	$ 76,646
Investment Income, net of direct investment related expenses	14,391	68,265	97,175	10,960	190,791	106,693
Bursaries awarded	-	(8,000)	(29,000)	-	(37,000)	(90,708)
Balance at end of year	$ 17,829	$ 97,567	$ 100,530	$ 30,496	$ 246,422	$ 92,631
Bursaries awarded (#)	-	8	29	-	37	183

19. 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 $5,298,680 (2007 - $4,948,476).

20. COMMITMENTS

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

	Leased premises	Equipment and services	Total
2009	$ 484,080	$ 2,331,245	$ 2,815,325
2010	-	2,331,245	2,331,245
2011	-	1,598,165	1,598,165
2012	-	1,598,165	1,598,165
2013	-	399,541	399,541
Thereafter	-	-	-
Total	$ 484,080	$ 8,258,361	$ 8,742,441

21. 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 $368,439 (2007: $251,368) is restricted for future Bibliocentre expenditures and is included as part of deferred contributions (Note 13) and $29,512 (2007- $86,498) represents deferred revenue (Note 8). An amount of $271,899 (2007 - $299,611) has been restricted as deferred capital contribution (Note 14).

22. COMPARATIVE FIGURES

Certain 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
Year Ended March 31, 2008 **Schdeule 1**

		2008		2007
Grant & Reimbursements				
MTCU				
Operating grant	$	**60,904,908**	$	59,907,013
Accessibility Fund for Special Needs		**1,415,202**		906,340
Apprenticeship		**7,556,480**		6,495,318
Women's Campus Safety		**25,691**		46,528
Job Connect		**710,067**		676,612
Literacy and Basic Skills		**984,350**		875,717
Facilities Renewal		**391,625**		0
Municipal Tax		**637,650**		712,725
MTCU - Other		**568,097**		1,080,226
Sub-MTCU		**73,194,070**		70,700,479
Other grants				
Sick Leave Buyout	$	**283,878**	$	271,360
Nursing		**3,138,761**		2,388,226
Government Grant-Federal		**2,077,612**		2,430,458
Government Grant - Sundry		**600,053**		507,294
Sub-Other		**6,100,304**		5,597,339
Total Grants & reimbursement	**$**	**79,294,374**	$	76,297,818

THE CENTENNIAL COLLEGE OF APPLIED ARTS AND TECHNOLOGY
Schedule of Ancillary Operations
Year Ended March 31, 2008

Schedule 2

	Food Service	Parking	Bookstores	Residence	Biblio	2008 Total	2007 Total
Grant	-	-	-	-	3,062,395	3,062,395	3,062,395
Deferred capital contribution recogniz	-	-	-	-	129,756	129,756	121,280
Other revenue	322,178	1,918,652	6,043,721	2,826,102	5,855,332	16,965,984	16,518,623
REVENUE	$ 322,178	$ 1,918,652	$ 6,043,721	$ 2,826,102	$ 9,047,483	$ 20,158,135	$ 19,702,298
EXPENDITURE							
Cost of goods sold	-	708,436	5,007,985	-	4,606,730	10,323,151	10,121,555
Salaries and benefits	-	208,597	874,880	324,024	2,534,705	3,942,206	4,086,947
Rent and taxes	-	72,639	-	-	389,760	462,399	446,100
Contract services	-	884,700	-	510,589	101,639	1,496,928	1,454,619
Conference centre	-	-	-	632,338	-	632,338	478,395
Management fees	-	-	-	103,847	-	103,847	88,869
Mortgage interest	-	-	-	811,737	-	811,737	832,441
Utilities	-	87,000	-	413,547	-	500,547	452,436
Residence internal recovery				(219,546)	-	(219,546)	-
Amortization of capital assets					353,814	353,814	396,174
Other operating expense	17,617	15,907	96,699	196,548	1,060,835	1,387,606	1,058,674
	17,616	1,977,279	5,979,564	2,773,084	9,047,483	19,795,027	19,416,210
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURE	$ 304,561	$ (58,627)	$ 64,157	$ 53,018	$ -	$ 363,108	$ 286,088